No Immunity: When the Thais Sneezed, World Caught a Cold

Experts Ignored Warnings And Misdiagnosed Onset Of a Serious Global Crisis

> By Nicholas D. Kristof and Sheryl WuDunn New York Times Service

In Red Square in Moscow, just across from the mansoleum where Lenin lies in state like an old biological curiosity preserved in formaldehyde, there is a grand three-story stone building that these days is in about the same shape.

The rococo facade of the GUM department store resembles a cathedral, but its gandy interior is an emporium with mink coats on hangers and on customers. GUM seemed a symbol of Russia's hope, for the spiffily dressed chairman of the board, Yuri Solomatin, 44, came across as a Russian capitalist with a difference.

Mr. Solomatin eschewed the mob, limousines and bodyguards. He boasted of running the most open, market-oriented, Western-style company in



the Global Economy

all Russia - proving this by granting himself and other managers stock options that soared 15-fold. He sold more than half of GUM's stock to foreigners, mostly Americans and Europeans, an unheard-of feat in nationalistic Russia.

Then came the Russian devaluation and market meltdown in August, and suddenly GUM crumbled. Its stock has fallen to 25 cents a share. from a peak of \$5.40, and its shops today are a sea

of signs that scream skidka — discount.
"Overnight," Mr. Solomatin said heavily, sitting in a third-floor conference room, "we were

How did GUM get hit by what started as a run on the Thai corrency in July 1997? Why did the crisis ripple from country to country and end up leaving Russia facing hunger and economic chaos, with 30 percent of Russians living below the poverty line, up from 18 percent at the end of 1996? And with has it now hit Braza and shaken financial markets in Argentina, Colombia and Mexico?

The answers will be debated for years, but some explanations are emerging for what is known as the contagion effect; the tendency of a financial crisis to spread and "infect" other nations.

The growing interdependence through the fab-ric of the world economy connected GUM even to Mary Jo Paoni, a secretary in Cantrall, Illinois. Mrs. Paoni patronizes a Bergners department store, and her husband frequents Kmart, but through her Illinois state pension fund she was in a sense a tiny part owner of GUM.

The pension fund owned \$7.2 million worth of the Brinson Emerging Markets Fund, and records show that Brinson in turn bought \$138,000 in

GUM stock. In the Soviet days, GUM was the best de-partment store in Russia, with lines of people

waiting each morning to enter.

Partly because of its fame, GUM was among the first Russian companies to be privatized after the fall of the Soviet Union. It became an upscale shopping mall, and every day 200,000 shoppers trooped down its aiales. More than 40 international retailers occupied space, paying what analysts said were higher rents than anywhere else

Fund managers were impressed by all this and by GUM's declared commitment to international standards, "GUM has a strong balance sheet, no long-term debt and high liquidity," wrote Sector Capital, a Moscow investment bank, in 1996.

See MARKETS, Page 16



A Kurd with an Ocalan poster protesting Tuesday at the Greek Embassy in The Hague.



Kurdish protesters smashing windows at the British Consulate in Hamburg.

New Pledges for a Nazi Fund

12 German Firms to Compensate Wartime Slave Workers

By William Drozdiak Washington Post Service

BERLIN — The government of Chancellor Gerhard Schroeder announced Tuesday that twelve of Germany's biggest banks and businesses-will contribute money to a new fund designed to compensate hundreds of thousands of workers, mainly from Eastern Europe, who were enslaved by the Nazis.

The formal pledge to establish the fund, which is expected to be worth at least \$2 billion and possibly much more, follows months of intensive talks to head off a flurry of lawsuits that threatened to inflict serious economic damage on Germany's largest corporations and to dis-rupt their expansion plans in the United States. At a press conference, Mr. Schroeder ac-knowledged that the purpose of the fund was to

counter the risk of class-action lawsuits "and to remove the basis of the campaign being led against German industry and our country." He praised the firms that signed up to provide the financing and said this initiative "shows that German business can deal responsibly with its

After taking office in October, Mr. Schroeder has tried to accelerate a resolution of the slave labor controversy, which was never properly addressed by previous German gov-ernments. While Bonn has paid out more than \$60 billion in reparations since the war to Jewish and other victims of Nazi crimes, it excluded slave workers because they were technically "employed" by private compa-nies, such as Siemeas or Volkswagen.

See GERMANY, Page 5

Kurds Take Captives Across Europe After Rebel Chief's Arrest

Wave of Rioting In Major Cities

By Alessandra Stanley New York Times Service

ROME — Enraged by Turkey's capture of the Kurdish rebel leader Abdullah Ocalan, Kurdish protesters stormed Greek and Kenyan diplomatic posts throughout Europe on Tuesday, taking hostages, burning embassies and, in

With what seemed like extraordinary coordination, Kurds in Paris, Moscow, London, Frankfurt, Milan, Berne and a dozen other cities went on rampages of rage and protest, holding rallies, seizing consulates, batting policemen and threatening mass suicides. At least three Kurds tried to self-immolate, including a 17-year-old girl in Germany, who was se-

Mr. Ocalan, who had been hiding in the Greek Embassy in Nairobi after he was forced to leave Italy last month, ended up in the custody of Turkish security forces on Monday.

[Greece blamed Kenya on Tuesday over Mr. Ocalan's arrest and recalled its ambassador in Nairobi, Reuters reported from Athens. The Greek foreign minister, Theidoros Pangalos, said Mr. Ocalan had made the mistake of trusting Kenyan authorities, who promised to take him to the Netherlands.]

Even as government officials in Athens and Nairobi nervously denied being the ones actually responsible for Mr. Ocalan's ending up in the hands of Turkish security forces, thousands of Mr. Ocalan's supporters in Europe angrily and violently demonstrated their disbelief and sense of betrayal.

The streets of Athens were quiet, perhaps because Greek policemen rounded up more than 350 Kurds preemptively and held them in an abandoned army camp. On Tuesday evening, under tight security, a rally of Greeks and Turks took place in Athens without incident. Europe had no such early warning. Countries which had sought to avoid getting drawn into ... he dispute between Kurdish separatists and the Turkish government, fearing a backlash of violence in their countries, were engulfed by the

In Austria, Kurdish protesters took the Greek ambassador and his wife hostage at their embassy in Vienna, while others set fire to the Kenyan Embassy there.

In the Netherlands, where Mr. Ocalan had reportedly hoped to go after leaving Kenya, about 150 Kurds stormed the Greek ambassador's residence in The Hague at around 5 A.M., and took three hostages, including the ambassador's wife and their 8-year-old son.

Riot policemen charged into a crowd of sympathizers who had gathered outside the residence, but were unable to force their way

into the building. The three hostages were still being held late Tuesday. In Bonn, Kurds who had taken two hostages

at the Kenyan Embassy and another at the Greek Embassy ended their occupation of the facilities Tuesday, police and witnesses said. Meanwhile, the police stormed consulates in

Stuttgart, Cologne and Leipzig to remove protesters, freeing one Leipzig consular employee and two civilians.

A Greens party member, Daniel Cohn-Bendit, said he had persuaded 49 Kurds oc-capying the Greek Consulate in Frankfurt to give up their protest. "These attacks weren't really organized,"

said Mehmet Atac, a Kurd who protested at the Greek consulate in Frankfurt. "We heard news See PROTESTS, Page 6

Turks Pick Up Ocalan in Kenya

By Stephen Kinzer
New York Times Service

ISTANBUL - Abdullah Ocalan, leader of an army that has been fighting for a Kurdish homeland in southeastern Turkey for 14 years, was captured in Kenya and flown back to Turkey on Tuesday.

Mr. Ocalan, whose war has cost the lives of some 30,000 rebels, soldiers and civilians, has for more than a decade been Turkey's most wanted fugitive. He is likely to be tried for

It was uncertain what effect Mr. Ocalan's arrest would have on his guerrilla force, the Kurdish Workers Party, or on the civil conflict that has cost Turkey billions of dollars and severely damaged its image in the world. The conflict has come to dominate Turkish life and has been used to justify a host of measures ranging from limitations on freedom of expression to the burning of villages in combat

Turkish leaders gave no details of how Mr. Ocalan was captured, but officials within and close to the government said a team of Turkish commandos had snatched him away from Greek diplomats who had been sheltering him for two weeks in Kenya.

"He was being escorted to the airport in Nairobi," said an official close to the Turkish intelligence service. "His Greek escorts lost the car in traffic, and he never made the flight. Some special operations guys figured out where he was and intercepted him.

'Grabbing a car that's being watched by a couple of Greek diplomats is a piece of cake for a special operations team in a country like Kenya," the official said. "Turkey has very good special operations people, state of the art. This is one of the biggest things they've ever

News of Mr. Ocalan's capture set off waves of violent protest in European capitals, where Kurds invaded Greek and Kenyan diplomatic missions to protest what they believed to be those countries' roles in turning him over to Turkey. But it became clear later Tuesday that in all probability, neither country had cooperated in the operation.

A Kurdish prisoner in a Turkish jail burned himself to death to protest the capture, and military units in southeastern provinces were

placed on alert. Mr. Ocalan's arrest was announced by Prime

Minister Bulent Ecevit at a news conference in Ankara. "The head of the separatist organization has been in Turkey since 3 o'clock this morning," Mr. Ecevit said, beaming and apparently struggling to control his emotions.
"He will account for his activities before the Turkish justice system."

In the eyes of some Turks, the capture of Mr. Ocalan may be Turkey's most spectacular success since it landed troops on Cyprus in 1974 in what it described as an effort to protect the Turkish minority there. Mr. Ecevit was prime minister then, too, and he could reap considerable political benefit from a new image as a two-time conqueror.

Turks will vote on April 18 in a national election. Mr. Ecevit, who has been in office for barely a month and had been seen as only an interim figure, suddenly seems in a much stronger position.

Foreign ambassadors were summoned to the Turkish Foreign Ministry for an official brief-

See OCALAN, Page 6

Tereday 6.4 P.M. 115,45 1.7313 1.7459 5,8555 9,297.03 1,241.86 2,313.93

	Newsstand Prices	
Andom	10.00 FF Lebenon	000
Antilias	12.50 FF Morocco16	Dh
Cameroor	1.800 CFA Qutar10.00	QR
Egypt	5E 5,50 Reunion 12.50	F
France	10,00 FF Saudi Arabia10	SR
Gebon	1.100 CFA Senegal1.100 C	
ILEIY	3,000 Live Spain	Nie.
IVORY COM	t.1.250 CFA Turisla	Dh.
VOTURED IN	700 Fis U.S. ML (Eux)\$1	20
WWW.	STATE OF THE PART AND PERSONS ASSESSED.	

Eight Banks Raided In EC Probe of Fees **On Money-Changing**

BRUSSELS - The European Commission raided eight banks in Germany, France, Italy and Spain on Tuesday in an investigation into alleged collusion over fees for exchanging

money in the 11-nation euro zone.

In the early morning raids, investigators visited Deutsche
Bank AG and Dreadner Bank AG in Germany, Societe Generale SA and Credit Agricole in France, Banco Bilbao Vizcaya SA and Argentaria SA in Spain, and Banca Commerciale Italiana SpA and Banca Intesa SpA's Cariplo unit in

A European Union source said Commission officials also

had visited the headquarters of the European Banking Fed-"We hope we caught them by surprise," said the European Union's antitrust commissioner, Karel Van Miert. "We will see what our fishing today reveals. We will see if we can build

Mr. Van Miest told a monetary affairs subcommittee of the European Parliament on Thesday that there was reason to suspect "concerted activity and agreements" among the banks. He added: "Banks are trying to avoid competition. Banks should compete in terms of the fees they charge."

The commission, the European Union's executive body, warned last week that it would look into "excessive charges. A six-country survey by Christa Randzio-Plath, the subcommittee's chairwoman, found that foreign-exchange charges ranged from 1 percent at Banco Santander SA in Spain to 3.75 percent at Commerchank AG of Germany.

The European Union has been concerned about bank

See BANKS, Page 13

Italian Sailor Rescues French Racer

- Isabelle Autissier, a French competitor in a solo round-the-world race, was rescued unharmed Tuesday after her boat capsized in the South Pacific. She was rescued by a fellow competitor, Giovanni Soldini of Italy, 24

Monday. Page 18.

hours after sending a distress signal, the Chilean Navy said.

Antissier, 42, was the overall leader of the Around Alone race when her

60-foot yacht overturned in high seas

AGENDA

Decision Is Near Over Bosnian Town

VIENNA (AP) - The Muslim member of Bosnia's joint presidency urged arbitrators Tuesday to award the disputed town of Broko to the Muslim-Crost Federation, claiming that his country's fragile peace may otherwise collapse.

But aides to Alija Izetbegovic signaled that he would also accept neutral district status for the town, which has been an explosive issue for three years. Bosnian Serbs and the Muslim-Croat Federation both claim

in testimony to an international arbitration panel as a decision neared on the issue after nine days of hearings. The international officials, led by the U.S. diplomat Roberts Owen. have promised a final decision by mid-March on Brcko, the only territorial question left unresolved from

the Bosnian war.



A key figure in the Nixon White Mr. Izetbegovic's comments came House who went to jail over Watergate is dead at 73. Page 2.

Books	Page 1
Crossword	
Opinion	
Sports	
The IHT on-line	www.iht.com

To Fight Recession, It's Back to School

Japan Paying to Retrain Workers

By Sandra Sugawara Washington Post Service

TOKYO - Harno Kishimoto, a wiry, animated 71-year-old business teacher, tackled the subject of cost accounting like a man on a mission. As he moved through the classroom, a sea of dark suits, laptops and distraught, middle-aged faces, his eyes flashed. His voice rose as it coaxed and chided.

"Think! Don't just repeat the formula," Mr. Kishimoto snapped as he stopped at Yoshiyuki Toshimitsu's desk. He prodded Mr. Toshimitsu until the 38-year-old student worked through the problem before him -a case study comparing the balance sheets of Toshiba Corp. and NEC Corp.

The class is part of a huge undertaking to retrain hundreds of thousands of Japanese quickly in the ways of modern business and push thousands of others in entrepreneurial ventures. With the economy mired in a recession that wide-spread public works programs have failed to end, the retraining and job-creation effort is Japan's latest ambitious attempt to engineer an economic revival.

What the government is not willing to do is trust the invisible hand of the free market to try to find jobs for Japanese workers.

Some economists say they worry that the latest effort is billions of dollars down the drain. They argue that Japan needs widespread deregulation and tax cuts to invigorate its economy and create lasting jobs. Such an approach would mean that numerous weak companies would crash. But it would also, in theory, allow capital, resources and talented personnel to flow to productive companies.

See JAPAN, Page 4

PAGE TWO

A Must Read Complimentary Report

A Professional's Guide to Currency Speculation and Risk Management

This comprehensive report is mandatory

reading for all investors. Complete with profitable, simple, fully disclosed trading

Ignorance Expands South African Epidemic

Culture Contributes to Crisis / Where AIDS Is Seen as a Bewitching

By Lynne Duke Washington Post Service

IETVLEI, South Africa - Sex in South Africa is a game of "African roulette," some say. But Thenjiwe Dzanibe did not even know she was a player. Miss Dzanibe, 37, was admitted last month to the hospital in Rietvlei, where she was diagnosed with tuberculosis and tested for the virus that causes AIDS. It was then that she began to wonder whether AIDS had caused the tuberculosis that killed her husband in 1995.

Though her boyfriend refuses to be tested because he fears the results, she said, it occurs to her that maybe AIDS is what has caused him to lose weight and cough up blood. Miss Dzanibe conceived a child with him, and now the baby is sick and has a fungal infection of the tongue. Could it be, she wonders, that 8-month-old Zimbini has developed AIDS, too?

The depth of her crisis sank in when she asked, during an interview: "Can I be cured of AIDS and these other diseases that are coming out?" No, she was told. Days later, her blood test confirmed that she has AIDS. "I have understood," she said sadly, but added: "The one thing I know for sure is I'll never tell the father of my child."

Miss Dzanibe is among the millions of South Africans caught in the web of ignorance, denial and misplaced cultural beliefs that fuels one of the most aggressive AIDS epidemics in Africa. More than 16 percent of the nearly 40 million South Africans are infected with the human im-

munodeficiency virus that causes AIDS. By 2010, the national infection rate is projected to reach 25 percent, on a par with that of neighboring Zimbabwe and Botswana, confirming southern Africa as the center of the world AIDS epidemic. The infection level among South Africans between the ages of 20 and 30 is already approaching

20 percent. New infections are being reported at a rate of 1,500 a day, two-thirds of them among 15- to 20-year-olds. Health experts say this means that the age group once thought to be most receptive to AIDS awareness messages is already heavily infected. Although HIV is running rampant in South

Africa, too many people here do not understand or believe how deadly it is until it is too late. Women bear the brunt of the crisis, experts say, because of polygamy, male promiscuity and sexual mores that allow men to dictate norms of intercourse, including refusal to wear condoms, and to put women in danger if they raise too many questions.

Unlike Uganda, which is renowned for an aggressive AIDS-prevention campaign that has re-duced its high rate of HIV infection and made condom use the rule, South Africa has been slow off the mark. Analysts say this is partly because the government has been bombarded with an array of policy demands since the 1994 transition from white-minority rule to multiracial democracy.

Since late last year, the government has made AIDS prevention a high-profile priority, and President Nelson Mandela lent his voice to the crisis in his state of the nation address this month. But with AIDS-awareness and prevention measures only recently undertaken, people here have filled the information gap with myth and stigmatism.

"It's this ignorance that's so difficult to break through." said Nono Simelela, director of the government's HIV, AIDS and sexually transmitted



Thenjine Dzanibe, with her sickly child, Zimbini. at the KıraZulu-Natal hospital where she learned that she is dving of AIDS.

disease programs. "We are dancing with death all

Many South Africans, for instance, believe that bewitchings are the cause of AIDS, or that racist whites have injected oranges and bananas with the disease or that tribal ancestors are displeased and are wreaking havoe on the living.

Some people believe only prostitutes get AIDS. Some men extol the virtues of fat women in the mistaken belief that only thin women can transmit AIDS. Some women believe AIDS can be gotten rid of by giving it back to the source of the infection.

ERE AT THE Rietylei hospital in largely rural KwaZulu-Natal Province, where the 27 percent HTV-infection rate is the highest in the nation, examples abound. Veronica Mngoma, 35, has been diagnosed with AIDS, but she has trouble accepting what it means. Deep down, she says, she suspects that she is sick because a vengeful co-worker poisoned her.

"In 1996. I was given a cake, by a girl, and it had poison on it." she said. "This poison made me become sick. I got thin and thin and thin after that." A sangoma, or traditional healer, told her to drink four small buckets of a milky purgative brew. She vomited, as prescribed. And got sicker.

The social, economic and cultural effects of the epidemic are profound. Some analysts predict that sectors of the South African economy. like trucking and mining, are threatened with a loss of manpower. A survey in a gold-mining area near Johannesburg showed that 20 percent of mine workers were HIV-positive, as were 75 percent of the prostitutes who service them from a nearby township.

Projections indicate that South Africa will have more than 2 million orphans as a result of AIDS. In some areas of KwaZulu-Natal, health workers say, the generation between children

and grandparents is already missing.
In a country that is 80 percent black, whites are a small proportion of the AIDS epidemic, although they, too, are registering rapid increases. It is among blacks that AIDS is most severe, especially, but not exclusively, among poor, undereducated blacks who live in areas, like KwaZulu-Natal, that have suffered decades of social and political instability.

Another key factor in the epidemic is the migrant labor system. Rural men traditionally have found work in big cities or in the gold mines around Johannesburg. It is common practice for such men to have wives or girlfriends in their home regions as well as in the urban areas where they work. To a lesser extent, women left behind by men also take on other sexual partners. Miss Dzanibe's late husband was a migrant worker, as is her current partner.

HIS IS A CULTURE in which male promiscuity has traditionally been admired and female subservience expected. Men do not like to use condoms, and for a woman to ask for such protection means risking an argument or a beating over whether she has had sex with other partners.

"If you try to show him that I think using a condom, would be the best thing," Miss Dzanibe said, "he will say: 'Where did you learn these tricks? Have you been running around?'

Many AIDS-prevention messages are ill-suited to such a culture. "Most of the material says stick to one partner," said Alfred Mikosi, director of the United Nations AIDS program for South Africa. "Does this relate to a man who has got three wives?"

Women also bear the brunt of the deep stigma that has grown up around AIDS. They fear that their men will leave them, that their families will shun them, and that their neighbors will ridicule and ostracize

them and call them prostitutes. Such fears are well-founded. A KwaZulu-Natal woman, Gugu Dlamini, who publicly acknowledged her HTV-positive status on World AIDS Day last year, was beaten to death for revealing something that her community felt brought it into disrepute.

The women at Rietvlei express fear of what will happen if their communities learn they have AIDS.

"That would be bad for me because, according to the people's belief, we ridicule and laugh at people who have got AIDS," Miss Dzanibe said. "If it happens that they know, your heart can stand still. Especially the in-laws. To have AIDS among people, it's a disgrace.'

But the weight loss that typically accompanies the illness makes it impossible to hide. "The moment you become slim, they say you have got it," said Miss Mngoma, whose weight had dropped to 36 kilograms (79 pounds) from 61 kilograms by the time she went to the hospital.

If their experiences have enlightened these women about AIDS, their attitudes do not reflect it. Miss Dzanibe said that perhaps the affliction, for her, is God's will. All she can do is try to continue normally as long as she has strength. She will maintain her relationship with her boyfriend, she said, because if she did not, "he will think I am bewitched."

The Officer Who Led France's Last Charge

Jean Ballarin, Cavalry Leader, Dies at 84

By Robert McG. Thomas Jr. New York Times Service

Jean Ballarin, who on a day in 1941 drew his saber, spurred his horse and galloped headlong into French military history, died Feb. 3 in Paris. He was 84 and was recalled as the last man to have led a French cavalry charge.

As cavalry charges go, or went, the one Mr. Ballarin led Jan. 2, 1941, was not much to write home about. The two dozen Moroccan horsemen under his command simply happened to spot an Italian Army encampment at an Entrean

oasis at Umbrega. Mr. Ballarin, then a 25-year-old noncommissioned French officer, ordered an impromptu attack, scattering the much larger enemy force before it could organize a defense.

There were few casualties on either side, and the skirmish was a minor flourish hardly worth more than a military footnote - even to Mr. Ballarin's own distinguished career.

He took part in fierce fighting at Alamein and elsewhere in North Africa, serving as the leader of de Gaulle's took part in the invasion of southern France and the eventual capture of Hitler's Bavarian mountain retreat.

Mr. Ballarin, a native of La Villedieu, near Poitiers in central France, who joined the army at 18 and was eventually sent to French-controlled Syria, assured his place in the annals of French warfare simply by continuing to fight a war the vast majority of his fellow soldiers had abandoned months earlier.

In the days after the fall of France in June 1940, almost to a man the French military had sworn allegiance to the collaborationist Vichy regime.

Its leader, Field Marshal Henri Philippe Petain, commanded such respect that even French forces stationed abroad, beyond German reach, submitted to Vichy control.

The French forces in Syria had es-Gaulle issued his famous call to arms for criminals and political opponents, from London on June 18, 1940, Mr. and President Fidel Castro said broader his Free French cause.

Under the guise of bolding training maneuvers, Captain Paul Jourdier, com-mander of the First Squadron of the First Regiment of the Spahis Light Cavalry, assembled his 80 or so men near the border with Lebanon and the British Palestine mandate. Then he gave them the choice of staying behind or following him across the border to join the British, as Mr. Ballarin and some 60 others did.

It was a small start to a mighty journey that would win glory for Mr. Ballarin and the troops. Within a month of the Umbrega charge, the First Squadron had exchanged

tanks of Field Marshal Erwin Rommel of hands of its enemies.

Germany and had begun an expansion "What we are ag that would eventually include three other squadrons, one of which was given the honor of liberating Paris in 1944. For his service, Mr. Ballarin received

the Cross of the Liberation, awarded to those deemed to have made the most significant contributions to the Free rench cause.

Mr. Ballarin, who married de Gaulle's private secretary, Germaine-Marie Cedart, in Algiers in 1944, remained in the army until 1962, when he retired with the rank of lieutenant colonel. He then joined a Paris insurance com-

pany, where he worked until 1980. A World War II cavalry charge may seem quaint, but in a war in which the Germans used 600,000 horses in their invasion of Russia, it was not quite an anomaly. The Italians staged a cavalry charge against the British in Eritrea later

in January 1941. The last American cavalry charge did not come until a year later, on Jan. 16, 1942, when a polo-playing lieutenant, Edwin Price Ramsey, led his 26th Cavalry platoon against Japanese soldiers on

the Bataan Peninsula in the Philippines. Mr. Ballarin's charge, moreover, was not the last cavalry charge to involve for my kids, it would be to never, ever French forces. Six months later, in an operation that underscored the signif-icance of his decision to break with President Bill Clinton.

Vichy and join the Free French forces in Africa, a British cavalry unit charged a Vichy French encampment in Syria.

in high

450 th 1865

STAN NOT

-

2 1 1 12

FIELD CONTRACTOR

1

TO THE PARTY OF

The same

retrained

TO THE STATE

- Minima

Satisface And American

74.0

A CONTRACT

100 **100 100 100**

THE PROPERTY OF THE

Service State

HAN IN THE STATE OF THE STATE O

F. P. W. S.

tore straight

- : *: ht.18 ***6**(*)

Talland of

CONTRACT ON A

The British did not stage their last charge of the war, by the Gwalior Lancers in Burma, until 1944, and what is regarded as the last British cavalry charge did not come until 1953, when the North Frontier Tribal Police rode down a Mau Mau camp in Kenya. That would seem to have ended an era,

but in warfare it is hard to be certain. In 1997, British troopers in the King's Royal Hussars began using horses for operational patrols in Bosnia. Henry Kendall, 72, Co-Winner

Of 1990 Nobel Prize in Physics

The Associated Press WAKULLA SPRINGS. Florida -Henry Kendall, a winner of the 1990 Nobel Prize for physics, died Monday during an underwater photography dive, the police said.

Mr. Kendall, a professor at Massachusetts Institute of Technology, was working with a National Geographic magazine mapping team at Wakulla Springs State Park. Investigators had not yet deterpersonal honor guard in Algiers, and he mined whether Mr. Kendall died of a heart attack or encountered a problem in

the water and drowned.

Mr. Kendall, along with Jerome
Friedman and Richard Taylor, worked for years proving the existence of quarks, now thought to be the basic building block of matter. They all shared the Nobel Prize in 1990.

Castro Defends Harsh New **Crime Penalties**

HAVANA - Cuba has unveiled legpecially close ties to Vichy, but when de islation that includes harsh new penalties Ballarin was among those who railied to use of the death penalty was needed to The proposed legislation recomsave the island's socialist revolution

mends prison terms of up to 30 years for political opponents who "collaborate" with the U.S. government. It calls for life imprisonment or the death penalty for crimes such as drug trafficking. The government unveiled the two new

laws Monday at a meeting of the National Assembly. Some lawmakers expressed reserva-

tions about the broader use of capital punishment, which already exists in Cuba's penal code. But Mr. Castro defended the appli-

cation of the death penalty to crimes like its horses for armored vehicles and mo-bile guns, had joined the fight against the aged Cuba's image and played into the What we are against is the death

emies want, because they want the death of our independence, our justice, of the revolution," he said.

"That is why we have to save the nation as our absolute priority mission, Mr. Castro added.

In a clear reference to the United States, which maintains economic sanctions against Cuba, Mr. Castro added: "Crime is part of imperialism's strategy against Cuba. It is an element of the enemy strategy to try to destroy the

The National Assembly was set to vote on the two pieces of legislation later in the session.

One bill was entitled "Law for the Protection of the National Independence and Economy of Cuba." It cited the need to increase penal defenses against what it said were continuing attempts by the U.S. government to damage Cuba's economy through sanctions and to subvert its political system.

The bill specifically referred to the 1996 U.S. Helms-Burton law, which sharply tightened the long-standing U.S. economic embargo against Cuba. It also reaffirmed Cuba's rejection of embargo modifications recently announced by

John Ehrlichman, 73, a Key Watergate Figure, Dies tion to the White House. But it was soon fice of Dr. Lewis Fielding in Beverly noid president from unpleasant news **By David Stout** and unpalatable choices. revealed that the burglars had links Hills, California.

New York Times Service

WASHINGTON - John Ehrlichman, who was President Richard Nixon's pugnacious defender and domestic policy chief and went to prison for his role in the Watergate scandals, died Sunday at his home in Atlanta. He was 73 and had been suffering from diabetes for about a year, said his son, Tom.

After serving 18 months in prison for conspiracy and other counts, Mr. Ehrhehman made a new life for himself in 1978, first as a writer in Santa Fe. New Mexico, and for the last several years as a senior vice president of Law Environmental, an Atlanta-based engineering company engaged in handling hazardous waste, his son said.

From the start of the Nixon presidency in 1969, John Daniel Ehrlichman was a central figure, first as domestic-policy chieffain in the White House, and later as On Jan. 1, 1975, all were convicted of a participant in the Watergate cover-up.

Democratic National Committee in conviction was overturned on appeal. Washington's Watergate complex on

UNIVERSITY DEGREE

BACHELOR'S . MASTER'S . DOCTORATE

r филъ 1 геј эпо Асадетис Ехренелов

The upon Conceptions Home Study (808) 597-1909 EXT. 23

Pacific Western University

Fax: (310) 471-6456 http://www.pwu-hi.edu

or or lend at taked resume for

FREE EVALUATION

either to the White House or to the Committee to Re-Elect the President.

The investigations (and the president's own tape-recordings) would also a copy of a secret government study of disclose that Mr. Nixon and some of his top aides had begun an effort to cover up covert White House unit, known as "the in the wind." White House involvement in the breakin almost from the start. Mr. Nixon resigned on Aug. 9, 1974, father than face all-but-certain impeachment and re-

moval from office. Dozens of Nixon aides were implicated in Watergate and related crimes, some for relatively peripheral roles. The most important case involved Mr. Ehrlichman and three other high-ranking where he began to write. officials: Attorney General John Mitchell, who died in 1988; Mr. Nixon's chief of staff, H. R. Haldeman, who died writing career and to give occasional

conspiracy, obstruction of justice and per-When five men were caught during a jury and were sentenced to two and a half burglary at the headquarters of the to eight years in prison. Mr. Mardian's much," he wrote, "Richard Nixon prob-

Mr. Ehrlichman's sentence was made June 17, 1972, the incident was first concurrent with a term of 20 months to and Mr. Haldeman together as "the Ber-

FOR INVESTMENT

INFORMATION

THE MONEY REPORT

every Saturday

in the IIIT.

Merald Eribung

Dr. Fielding was a psychiatrist who U.S. involvement in the Vietnam War. A plumbers" and answerable to Mr. Ehrlichman, was assigned to find and plug

such "leaks." By the time Mr. Ehrlichman entered prison in Stafford, Arizona, in the fall of 1976, he had already undergone a major at the White House where ideas were life change after his conviction. He had left his first wife, Jeanne, and their Seattle home and moved to Santa Fe,

in 1993, and Robert Mardian, an as- lectures. He wrote four novels and a memoir. "Witness to Power" (Simon & Schuster, 1982), in which he reflected on his relationship with Mr. Nixon.

"I don't miss Richard Nixon very ably doesn't much miss me either.

Detractors referred to Mr. Ehrlichman arrily dismissed by Nixon aides as a five years imposed on him for his role in lin wall," because they were said to "third-rate burglary" with no connec- the September 1971 break-in at the of- shield the reclusive, occasionally para-

TRAVEL UPDATE

Four Days of Strikes to Plague Italy

ROME (AP) - The government's resolve to crack down on

strikes that harm the public is contributing to labor unrest, with

several unions, including ones that represent rail workers and

A 23-hour walkout by rail workers, starting at 6 P.M. on Wednesday, is expected to seriously disrupt train traffic. Newspapers will not appear Thursday if printers carry out their threat of a one-day strike Wednesday.

Electrical workers plan a daylong strike Friday. Flights to and from central Italy may be disrupted Saturday, when

regional air-traffic controllers are scheduled to strike from

American Makes Nearly All Flights

DALLAS (AP) -- Operations at American Airlines were

nearly back to normal Tuesday, the airline said, after a 10-day protest by pilots that grounded about 6,000 flights.

The airline had canceled 56 flights by the end of the morning, 23 of them because pilots had called in sick. Fewer

than 800 of American's 9,400 pilots were listed as sick

SHANGHAI API — The city of Guangzhou opened its first

The line, 18.5 kilometers (11.5 miles) long with 16 stations,

s designed to carry 1.13 million people a day, the Xinhua press agency said. Construction is under way on a second line.

Monday, down from nearly 2,500 Thursday and Friday.

Guangzhou Opens Subway Line

subway line Tuesday, state media said.

air-traffic controllers, having calld strikes for this week.

When L. Patrick Gray 3d, the acting

had been treating Daniel Ellsberg, who FBI director, was peripherally linked to has said publicly that he gave journalists the Watergate defendants, Mr. Ehrlichman famously advised Mr. Nixon to leave Mr. Gray "twisting slowly, slowly But another perspective was offered

by Theodore White in "The Making of the President 1972." Writing before the Watergate scandal, Mr. White said Mr. Ehrlichman's "shop was one of the few seriously entertained - good ideas, too, on energy, on land-use policy, on urbanization, on preservation of the American environment.'

Mr. Nixon eventually sacrificed Mr. Ehrlichman and Mr. Haldeman to the cover-up campaign; they resigned at the president's request on April 30, 1973.

After going to prison, Mr. Ehrlichman said he had brought his troubles on him-

self. "I abdicated my moral judgments and turned them over to somebody else," he said in 1977. "And if I had any advice defer your moral judgments to anybody

— your parents, your wife, anybody."

WEATHER



Imprime par Offgrunt, 73 rue de l'Evangile, 75018 Paris

North America Europe Asia
Seasonably cold across
the Midwest Thursday to
don't o Paris Thursday, mig to Seoul Thursday with
saurday with some snow windy and colder with sunny skies; not as cold
and flurnes each day. A showers of rain and snow
storm will move from
into Saturday. An Adante
Texas Thursday to the storm will pound ScandiEast Coast Saturday. An Adante
storm will pound Scandistorm scanding rain continues in
Sichuan Province and
sortheast. Saturday may
be stormy in the Northeast
below, snow likely in
Turkey Finday

Turkey Finday

Texas Thursday to
the Second Thursday with
sortheam Thatland. Colder
will reach Tokyo and
Hong Kong Finday. Dry and
hot in India and Southeast
Asia. North America

THE AMERICAS

JAN100 1350

r Who Led

alry Lender, Dies at 81

Henry Kendall, 2, ta-Winner

13 from John Librar in philo

That is a subject

ALC: UT PAI

Frenz h

Charles.

By Peter Baker and Molly Moore Washington Post Service

MERIDA, Mexico - With his impeachment trial behind him, President Bill Clinton has returned to the world stage free to focus on international challenges, such as drugs and trade, without the distractions of a domestic scandal that around the globe for the last year.

at a restored 19th-century hacienda near here to consult on border issues that have dominated U.S. relations with its southern neighbor, bringing with him \$4 billion in export fi-

of Mr. Clinton's presidency. For the first time since his relationship with tirst time since his relationship with imity of Mr. Clinton's Mexico visit with the new House speaker, Dennis Monica Lewinsky attracted the atto the March I deadline by which he Hastert, Republican of Illinois, after tention of investigators in January 1998, Mr. Clinton left the country er Mexico is a reliable ally in comwithout being followed by the em-barrassment of a political crisis that however, both sides conceded the without being followed by the emthreatened to end his tenure. Aides said Mr. Clinton has been heartened days echoing his desire to put the divisive chapter behind them.

Happy to move on, the president

last Friday.

Undistracted, He Confers With Zedillo on Drugs and Trade

Mexico Reinvigorates Clinton

photo opportunity. "But that's a decision that she'll have to make."

If the symbolism of the 30-hour has haunted him at every stop visit here helped show a reinvigorated president fully in command, Mr. Clinton met Monday with it also served Mr. Zedillo's interests, President Ernesto Zedillo of Mexico coming as his government faces heavy fire for not doing more to crack down on drug trafficking.

Mr. Clinton hinted broadly that he would recertify Mexico as a cooper- gress

ficials tried to play down the prox-imity of Mr. Clinton's Mexico visit must recommend to Congress whetha position to help defend his recertification decision on Capitol Hill.

The two presidents and their aides

flames of speculation that his wife, on other subjects designed to in-Hillary Rodham Clinton, will run in crease air travel between the two 2000 to represent New York in the countries, control the spread of same Senate that acquitted him on tuberculosis and contain violence at perjury and obstruction of justice the border. The United States also "She would be terrific in the Sen- billion in loans, loan guarantees and ate," Mr. Clinton said during a export credit insurance through the Export-Import Bank to help Mexican agencies and companies buy-U.S. products and services.

Here in this former colonial city in the Yucatan Peninsula, the only mention of impeachment came at a photo opportunity, where Mr. Clinton was asked if he felt vindicated.

In replying, Mr. Clinton, repeated his desire to cooperate with Con-

nancing and a carefully timed endorsement of Mexico's efforts to dorsement of Mexico's efforts to a bruising fight in Congress, where many members believe Mexico has that in mind, I think everything will be a substitute of the congress of

Mr. Clinton has agreed to meet-Congress returns to town next week. Secretary of State Madeleine Albright said the end of the trial would

end U.S. embarrassment among forsymbolic importance. Mr. Clinton eign leaders, judging by those she brought with him about two dozen spoke with during Kosovo peace by comments of legislators in recent members of Congress, who will be in talks in France before flying here to join Mr. Clinton.

Mr. Clinton and Mr. Zedillo have developed a particularly warm rapeven took the opportunity to fan the signed a raft of modest agreements port over the four years of the Ze-



Representative John Kasich, right, kicking off his presidential exploratory effort with discussions in Milford, New Hampshire.

bailout plan after the 1994 peso officials, politicians and business crisis and defense of Mexico's anti-leaders. "Mexico should not be pendrug efforts in the face of congressional opposition in years past.

Many of Mexico's recently cre-United States — have been tainted by corruption scandals.

But Mr. Clinton doggedly defended Mexico's anti-drug efforts.
"What we know in America comes

dillo administration, a relationship largely from Mexico's brave efforts helped by Mr. Clinton's relentless to get to the truth and air it," Mr. support, including an international Clinton told an audience of Mexican alized for having the courage to confront its problems."

Asked by reporters earlier whethated anti-drug law enforcement or he intended to "certify" Mexico agencies - including units trained as a partner in the war against drugs, and supported financially by the Mr. Clinton telegraphed his expected approval: "The fundamental question is are we better off fighting it together or separately" even though the two nations are "perhaps some-

POLITICAL NOTES

Kasich Starts Presidential Bid

MILFORD, New Hampshire — Representative John Kasich is throwing himself into presidential politics, declaring himself the underestimated "Indiana Jones" of the 2000 contest. "What you see is what you get," the Ohio Republican told a handful of voters who came to see him on the Milford Town Oval. "If you're looking for something bigger and better, it ain't coming."

Mr. Kasich, best known as the House Budget Committee chairman, used Presidents' Day on Monday as the official kickoff of his presidential exploratory committee, a step that enables him to raise money and travel in preparation for an

eventual run for the Republican nomination.

Mr. Kasich sounded his call to return power to the people. "The mission is to pursue the economic destiny of every single American citizen while at the same time renewing and rejuvenating the American spirit," he said. He advocates a 10 percent across-the-board tax cut, school vouchers and private investment options for Social Security benefits.

Dangers in Federalizing Crimes

WASHINGTON — An American Bar Association panel led by former Attorney General Edwin Meese 3d has warned lawmakers against the "misguided, unnecessary and harmful" tendency of showing they are tough on criminals by turning more offenses into federal crimes.

In a report, the panel said that the penchant for federalizing crimes that had been the purview of the states - like murder, drug possession and trafficking, rape and robbery — ran counter to the nation's historic reluctance to concentrate broad powers in a national police force.

Enactment of each new federal crime bestows new federal investigative power on federal agencies, broadening their power to intrude into individual lives," the report said. Expansion of federal jurisdiction also creates the opportunity for greater collection and maintenance of data at the federal level in an era when various databases are com-

The report, entitled "The Federalization of Criminal Law," said 40 percent of all federal criminal laws that had been enacted since the Civil War were passed since 1970. (NYT)

Harsh New

Crime Penaltie

Castro Defend

By Thomas B. Edsall Washington Post Service

WARREN, Michigan - In the heart of a Democratic Party stronghold that was swayed into the camp of President Ronald Reagan years ago, the Senate majority leader, Trent Lott of Mississippi, kicked off the first of 150 town hall meetings this year to change the image of the Republican Party from the "party of impeachment" and to focus attention on a tax-cutting, pro-defense agenda.

"The meeting here today is to show we are finished with that," Mr. Lott said Monday, referring to impeachment.

'We are moving on," he said at the close of Michigan, and John Engler, the Republican governor of Michigan. All three stressed their support for a 10 percent across-the-board tax cut, the centerpiece of the Republican Party's agenda.

الله المنطقة الإيمارية وأنها إلى المناطقة المنطقة المنطقة المنطقة المنطقة المنطقة المنطقة المنطقة المنطقة المن

years has made a dramatic transition from dependence on heavy manufacturing to become a high-tech growth center. In the process, voters in this area of Macomb County have again become willing to support Democratic candidates.

Republicans are betting heavily on the tax issue to blunt widespread public distaste for impeachment. "In this era of budget surplus, Washington has a moral duty and fiscal responsibility to lower Americans' taxes," Mr. Abraham said.

He said that "federal taxes consume 21 percent of national income, the highest proportion since World War II."

the session in the Ukrainian Center here, where at 20.7 percent of gross domestic product, fedhe was joined by Senator Spencer Abraham of eral taxes are higher in 1999 than in any year

Clinton administration officials dispute Republican assertions that tax burdens are at historic highs. Using data from the Congressional Detroit that in 1980 and 1984 demonstrated the collections are high because income, particularly the county commission.

strength of the Reagan revolution - in recent the income of the affluent, has risen sharply.

An administration official cites both Treasury police stepped up enforcement of seat-and Budget Office studies to show the tax burden belt laws, with, for example, 65.1 peron individuals is at a record low: "According to cent buckling up around the Memorial the CBO, the effective federal tax rate of the 20 Day holiday last May, compared with percent of American families with middle in-comes fell from 19.2 percent in 1992 to 18.9 1997, the National Highway Traffic percent in 1999 — that's the lowest tax rate since Safety Administration said. data were first reported 20 years ago."

Republicans and Democrats are engaged in a • A wind-whipped fire destroyed a battle over who benefits most from an across- church in Lake Worth, Texas, killing the-board tax cut. Mr. Lott and Mr. Abraham three firefighters who were trapped said it is only fair to return the federal surplus to when the roof collapsed and injuring taxpayers in proportion to the taxes each paid. three others. Investigators said that

Mr. Abraham distributed tables showing that cut here in hopes of reviving Republican support among a key segment of the electorate: working-

In 1996 Mr. Clinton brought the county, etcd a San Francisco outlet of 24 Hour which had voted for Mr. Reagan, back into the Fitness, a health-club chain, to protest Democratic fold, as he broke Republican holds a billboard advertisement declaring on suburban counties across the country. The that when space aliens encounter hu-Warren - a white, working-class suburb of Budget Office, the administration says total tax local Democratic Party has a 16-to-9 majority on mans, "they will eat the fat ones

Republicans Trumpet Tax Cuts to Polish Image Away From Politics

• The percentage of Americans wearing seat belts rose in 1998 as

Mr. Lott brought the case for the 10 percent they believed the blaze had been set.

About 25 overweight people pick-

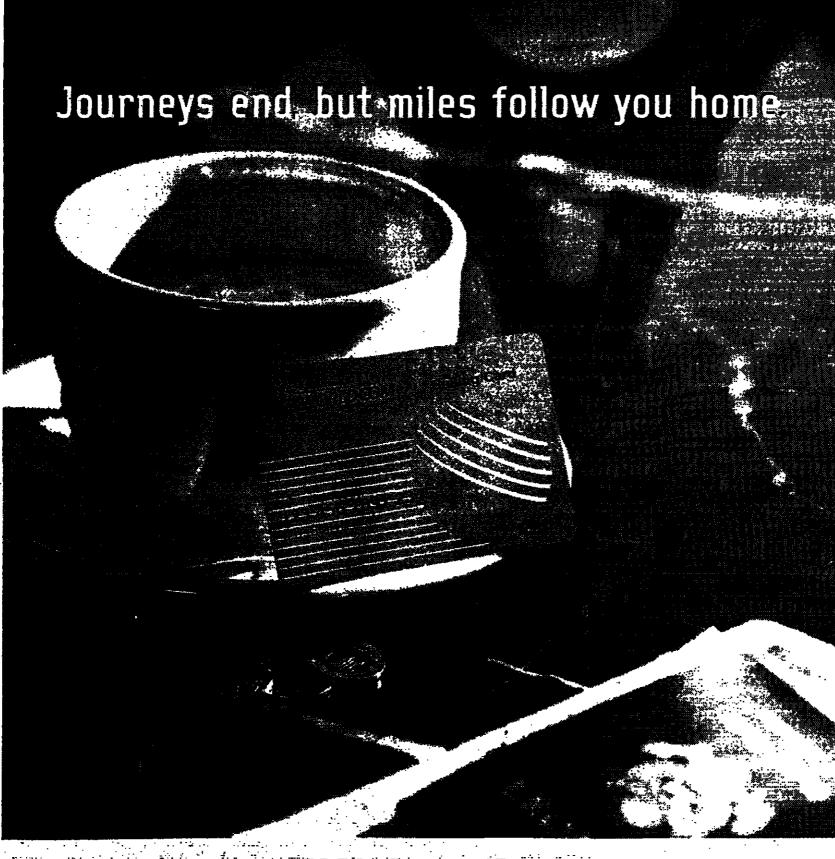
Quote/Unquote

Joe Lockhart, the presidential spokesman, responding to questions about President Bill Clinton's fuzzy, but clearly not accidental, comments about the possibility of Hillary Rodham Clinton seeking a U.S. Senate seat: "The president was particularly unclear on that subject today, and I have nothing to say to clear it up.

A Great Location for Business Travellers

swissôtel TISTANBUL THE BOSPHORUS

A Passion for Perfection



EARN FREQUENT FLYER

Simply calling home can help you embark on another journey. Of course, that's only if you use the MCI WorldCom Card, the only card that lets you earn five frequent flier miles for every dollar you spend.* Using the card also gives you access to operators who speak your language and the low rates you've come to expect from MCI WorldCom. So, enjoy your stay, and use your card to call home and other countries.

To sign up, or to get additional access codes, visit us at www.mci.com/worldphone or ask your MCI WorldCom operator to make a collect call to 1-410-314-2938.

MCI WORLDCOM

USE WORLDWIDE

1 Just dial the WorldPhone access number of the country you're calling from. 2 Dial or give the operator your MCI WorldCom Card number. 3 Dial or give the number you're calling

Italy (CC) +

"TOP TEN" - FRANKFURT" Elegant Elecort & Travel Service Please call 089 - 597 4338

YACHTING, ENTERTAINMENT OR Clubbing Together Escot Server, Chic & Discreel Lundon 0378 347 241

ASIA/PACIFIC

For a Day, Vietnamese Rest (and Fret About Year's First Visitor)

By David Lamb Les Angeles Times Service

HANOI - On Monday night, in miloff the dirt of past misfortune, and held etnamese both here and abroad feel a bility, not the rehashing of past battles. send-off ceremonies for the kitchen gods who ascend to heaven to give their antheir families. It is virtually the only time According to government statistics, more than 100,000 overseas Vietnamese moral conduct of household members.

And when Vietnam awoke Tuesday, the land seemed to have been abandoned. City streets were deserted. Every offensive, not a holiday. shop was closed. No farmers or water buffalo worked the rice paddies.

To find this industrious, bustling country so suddenly quiet is an odd experience, considering that shopkeepers routinely work 14 to 16 hours a day, seven days a week, and that farmers never take a day off.

the Chinese Lunar New Year, heralding the start of spring, when heaven and lions of homes across Vietnam, families earth are in harmony. It is the country's munist government's priority today is to gauge consumer confidence, in the Tet to see who its first visitor of the new took their last baths of the year, to wash most joyful happening, a time when Vi-economic development and political stanual report to the Jade Emperor on the all year that the Vietnamese stop working long enough to enjoy the fruits of

And indeed, last year, on the 30th anniversary of Communist attacks on cities in what was then South Vietnam, even the government-controlled media did a considerable amount of remin-

iscing about the event. This year, there has been not a word, as

dence without delay, a prospect that

dependence for East Timor would result

in the disintegration of Indonesia by

causing repercussions to other provinces

where separatist movements are active,

notably Aceh in northern Sumatra and

its very different history," she said, not-ing Dutch colonization of the other

provinces had helped forge a common

identity in creating modern Indonesia.

Amien Rais, chairman of the National

Mandate Party, a front-runner in the elections taking place June 7, said his party supported two to three years of

'The problem of East Timor is due to

Miss Anwar rejected claims that in-

could happen within one year.

western Irian Jaya.

- or one of every 20 Vietnamese who live abroad, primarily in the United States, Australia and France - have free-market economy, such items are so superstitious that they arrange their To many Americans, Tet is a military returned home for Tet. In addition, the commonplace, and gifts this year are government says, overseas Vietnamese more likely to be wine, imported candy have sent \$18 million to their families or peach and kumquat trees — the local here for the holiday.

but impossible to find a seat on any flight on their bicycles and motor scooters. to Hanoi or Ho Chi Minh City, as Saigon is now known. The three-times-a-day

half of whom were born after the Amer- to shoulder with Tet shoppers — whose friends and enjoy special foods. icans fled Saigon in 1975. The Com- spending is monitored by the government same way Christmas sales are closely watched in the United States.

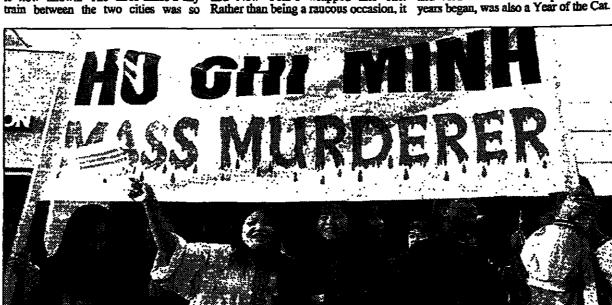
a jar of shampoo was a precious Tet gift. believe they can be cursed with bad luck But now, with Vietnam moving into a equivalent of Christmas trees - which For days leading up to Tet, it was all shoppers have brought home strapped

and New Year's wrapped into one. and Vietnam's first era of peace in 150

the war continues to fade from the con- packed that railroad authorities had to add is a time to pay homage to deceased But Tuesday was the start of Tet, or sciousness of the 77 million Vietnamese, extra carriages. And streets were shoulder ancestors, gather quietly with family and

Every household waits nervously on year will be. If it's someone who has known misfortune in the old year -In the dark economic days of little such as losing a job, suffering a death in more than a decade ago, a cake of soap or the family, or ill health — the hosts throughout the year. Some families are "first-footing" visitor far in advance.

The Vietnamese say the stars are properly aligned to make this, the Year of the Cat, a period of prosperity and good forume. (The Chinese recognize this as the Year of the Rabbit.) It may be no co-For the Vietnamese, Tet is Christmas incidence that 1975, when the war ended



Vietnamese youths holding banners and flags outside Troung Van Tran's video shop in Westminster, California.

California Battle Over Ho Chi Minh Heats Up

By Don Terry

WESTMINSTER, California — In an increasingly tense standoff here between the First Amendment and memories of war, hundreds of Vietnamese immigrants have blocked the entrance of a video store where the owner wants to re-hang a poster of Ho Chi Minh.

Dozens of police officers in riot gear formed a wall on Monday as protesters, saying they would rather die than allow the poster to go up, shouted "Democracy!" and "Freedom!" Fearing that the demonstration might turn violent, the police persuaded the shop owner, Troung Van Tran, 37, to stay away on Monday. But Mr. Tran's wife, Kim, said in a telephone interview that "we're going to do it another

poster of the former president of North Vietnam and a his rights wisely," a speaker bellowed on a public address

Court judge, who last month ordered the items taken down, pending a hearing.

Mr. Tran, who came to the United States from Vietnam in 1980, put up the poster and the flag on Jan. 18: He says the move was intended to generate dialogue and healing among Vietnamese here. But as word of the poster spread, hundreds of his former countrymen rallied in front of his store demanding that the picture be taken down.

As many as 600 demonstrators began gathering at the store before 9 A.M. on Monday. Mr. Tran had said he would reopen his shop at 10 A.M., but he never showed up. A police lieutenant, Bill Lewis, said authorities were negotiating with the protesters and with Mr. Tran about how to proceed. "The bottom line," Lieutenant Lewis said, "is that we have to maintain the peace and Mr. Tran's First Amendment rights."

Several protesters said that they cherished freedom of speech,

BRIEFLY

Spratly Structures Done, Manila Says

MANILA — Defense Secretary Orlando Mercado said Tuesday that China had completed its enlargement of structures on a Spratly Islands reef claimed by both Manila

and Beijing.
Mr. Mercado said recent surveillance photos taken by the Philippine military showed that the completed structures on Mischief Reef in the South China Sea include a threestory concrete building that Beijing says will be used by Chinese fishermen but Manila says could have military uses. Other facilities include a wharf, a permanent platform for helicopters, gun placements, an-ternas and radar, he said. (AP)

Defection in India

NEW DELHI - A party with four members in Parliament said Tuesday that it would withdraw support from the 11-month-old government, put-ting it on the brink of collapse, United News of India reported.

Om Prakash Chautala of the Indian National Lok Dal party announced the move after a meeting with Prime Minister Atal Bihari Vajpayee. He said the government had refused to roll back price increases on subsidized basics.

Mr. Vajpayee's Bharatiya Janata Party and 18 allies won a confidence measure with 274 votes last March. If all members are present and voting, a government would need 272 votes to stay in power.

Quake Aftermath

KABUL - Thousands of Afghans are living without shelter in extreme cold and are in need of immediate international help after the earthquake last week south of Kabul, government officials said Tuesday.

The officials said health authorities of the Taleban militia had found that 30 percent of children in Wardak Province were without shelter and suffering from pneumonia. (Reuters)

For the Record

The former finance chief of the doomsday cult Aum Shinrikyo, Hisako Ishii, was sentenced to three years and eight months in prison Tuesday for aiding other cult mem-bers after their 1995 nerve gas attack on the Tokyo subways. (AP)

Jakarta Aide Says East Timor Will Need Democracy Monitors cuss a wide-ranging autonomy offer for East Timor. But Mr. Habible said last New York Times Service JAKARTA - The International community should step in and help East week that if this is unacceptable then Timor's transition to democracy if the East Timor should be given indepen-

former Portuguese colony gains independence from Indonesia, a senior presidential adviser said Tuesday.

Dewi Fortuna Anwar, international affairs adviser to President B. J. Habibie, said the job of disarming East Timor's rival factions and maintaining law and order should be borne by the international community. With its morale currently at a low ebb, Indonesia's 500,000strong military could not be relied on to do the job because it is not regarded as neutral, she said.

Speaking in Jakarta on the second day of the Asian-German Editors Forum, Miss Anwar, touted as a future foreign minister, said if a wide-ranging autonomy package for East Timor proved unacceptable, then Indonesia's 27th province should be cut lose. Miss Anwar rejected an option of several years of autonomy for the province before a vote on self-determination.

'I tend to believe the longer we leave the situation, the more difficult it will be to resolve," she said. "The most important thing at the moment is to ensure disarmament among the East

Violence is on the rise in East Timor between various armed factions supporting either independence or integration

autonomy for East Timor before offering a referendum on self-determination. "Immediate independence is not a very wise solution," he said. He had earlier offered Miss Anwar the job as Indonesia's next foreign minister

if his party won the elections. Regarding recent law and order problems across the archipelago, Miss Anwar hinted that rogue intelligence agents loyal to Suharto, the disgraced former president, were responsible for stirring up recent religious and ethnic violence. Asked about reforming the armed

forces, she said they should not be iso-Talks brokered by the United Nations lated from democratic reforms that are currently being held in New York aimed for gradual but total "civilian between Indonesia and Portugal to dis-supremacy.

Herald Cribune • Also available: PAY MONTHLY

EARLY MORNING DELIVERY TO YOUR HOME OR OFFICE.

A cosmopolitan, comprehensive and concise newspaper delivered every day to your home or office.

on the day of publication, Monday through Saturday. And, because it is printed in Paris, Toulouse and Marseille,

For more information about easy ordering and availability of hand delivery

CALL our Subscriber Customer Service Department:

TOLL FREE: 00800 4 448 7827 (00800 4 IHT SUBS)

or Fax: 01 41 43 92 10

E-mail: subs@iht.com - Internet: http://www.iht.com

it can be sent by post to arrive on the same day in most of France at no extra cost.

Unique coverage of the world you live in, brought to you as it changes - daily.

by easy, low cost,

In and around most of Paris and Lyon the International Herald Tribune offers early morning hand delivery

direct debit.

DO YOU LIVE IN

FRANCE?

off the cover price.

• Subscribe and SAVE up to 60%

Last week, Mr. Tran's First Amendment right to hang the but that Mr. Tran was abusing it. "He doesn't know how to use Vietnamese flag was affirmed by an Orange County Superior—system, "so he doesn't deserve to have any rights at all!"

JAPAN: Government Spends to Send Workers Back to School

Continued from Page 1

short supply, such as workers certified as promising they would not fail. computer technicians, accountants and to care for the elderly.

Muneaki Ueda, executive vice president of Pasona Inc., a job-placement added that he was skeptical that the government program would address the needs of employers because it has been drawn up by bureaucrats with no busi-

ness experience. six-month or one-year training course often last for two or three years. But Yoshinobu Udagawa, general manager at Murata Educational Institute, a respected accounting school, said the pro-grams would allow those with rudimentary accounting knowledge to gain the specialized skills in demand.

women and more than two dozen men, government-run school, called Ability Garden. They are studying product management and spreadsheets and learning to analyze profits and cash flow.

the skills he is learning will be needed. "I and temporary employment agency, said think there are many small and midsize ployment benefits for up to six months. certain jobs are indeed hard to fill, but he companies that don't know how to do

At the same time, the Labor Ministry this kind of financial analysis," he said.
"I think I could use these skills there."

In Japan, midlife career switches are not common, and the network of professional schools is small. More im-Other critics question how much a portant, the traditional Japanese employment system of lifetime job security has start-up companies in any industry. can teach employees, considering that discouraged labor mobility, as each professional and technical courses of company spends years training its emstudy in the United States and Europe ployees in its culture. Few companies hire midcareer employees.

In the past, government job programs focused mainly on subsidizing the wages of employees at struggling prams would allow those with rudimentiry accounting knowledge to gain the
specialized skills in demand.

Mr. Kishimoto's students — a few
such payments. But Labor Ministry ofwomen and more than two dozen men,
sicals who routinely visit companies say

their employment levels.

Such skills were less vital in the old classes by April to train 12,000 Tokyo Japanese business world, where large residents. Since then, he has been ne-Labor Ministry officials defend their companies supported small ones, banks gotiating with 124 professional schools efforts, saying they have a detailed list of stood behind longtime customers and to set up classes in a variety of subjects, the types of employees and services in the government stood behind the banks, including accounting, computing, marketing and advanced manufacturing Now that old business world is fading techniques. The effort is being made away. Thus Mr. Toshimitsu, who lost his across Japan, with the goal of training job at a restaurant chain last year, hopes 61,000 Japanese, who will be able to go to school for free and collect unem-

At the same time, the Labor Ministry has organized a media blitz to promote a new program aimed at creating thousands of entrepreneurs, fast. The government will pay half the salaries, up to a limit of \$29,000 per employee per year, for a maximum of six employees at

Meanwhile, anyone who has worked full-time for at least five years can go back to school, and the government will pay up to 80 percent of tuition for one year in one of 3,400 approved courses. Other programs focus on belping those over 45. Their higher salaries

make them more likely to be targeted for layoffs and less likely to be offered new jobs, Mr. Oyama said. There is no ban on age discrimination in Japan.

An internship program pays compamainly in their 40s and 50s — take six that, even with government help, it is classes a day, five days a week at the getting harder for companies to maintain the age of 45 for up to six months. Each intern continues to receive unemploy-Thus at the end of last year, Hiroshi ment benefits during that period as well Oyama of the Labor Ministry got his as commuting money and \$5 a day for marching orders: Create about 400 lunch and other expenses.

PAYMENT BY MONTHLY DIRECT DEBIT TES, I'd like to subscribe and have my bank account Family Name:_

The result?

debited monthly by FF162. Please start my subscription and send me a bank form to arrange my payment.

PAYMENT BY CHECK OR CREDIT CARD

- TES, I'd like to subscribe and pay for the following ☐ 12 months (+ 2 months free): FF1,950 (Saving off cover price: 46%)
- Special, 2-month trial subscription: FF210 (Saving off cover price: 60%)
- ☐ My check is enclosed (payable to the IHT)
- Please charge my: ☐ Amex ☐ Access
- ☐ MasterCard ☐ Visa ☐ Eurocard Credit card charges will be made in French Francs at current exchange rates.
- Card N".__
- Please start delivery and send invoice.

EUROPE, MIDDLE EAST & AFRICA

Tel: +33 [41 43 93 6] Fax: +33 [41 43 92 [0

- READERS IN OTHER COUNTRIES CAN SUBSCRIBE BY CALLING:
 - THE AMERICAS
 Tel: (USA toll free) 1-800-882-2884
 Fax: +1 212 755 8785
- AIZA Tel: +852 29 22 11 71 Fax: +852 29 22 11 99

YOUR DETAILS TO THE STATE OF TH

Mailing Address: Home Business

Your VAT No (Business orders only)

I got this copy of the IHT at: I kiosk I hotel I airline I other

I do not wish to receive information from other carefully

This affer expires on December 31, 1999

and is AVAÏLABLÉ FOR NEW SUBSCRIBERS ONLY.

Return your completed coupon to:

Subscriptions Director, International Herald Tribune,

181, Avenue Charles-de-Gaulle, 92521 Neuilly Cedex.

Fax: 01 41 43 92 10 E-Mail: subs@iht.com FR14

Postal Code:____

E-Mail Address:____

Telephone:___

Escorts & Guides

SWITZERLAND-GERMANY BELGIUM-LUXEMBOURG-UK

++31-20-427 28 27

international

LONDON: (0)171-978 6606 DSMOS Escort Agescy - Credit Cards

World's top intermitional beauties New York US Hg:1-212-765-7896 Office@intl-Escorts.com

PARIS & LONDON +3129-5789-221 / +316-54229-124 office@euro-escotts.com

ELITE ESCORT SERVICE * S. AFRICA MILANTOMETIAL "ATHERSTARIS BRUSSELS "SERVIANT" STRUZEN LAND COTTE "TAZUR" SCANDONAVA "SPAIN Tai: +39 (0)325 619 9038 Credit Curds

EDROGERO JET SET "VERMA" PARIS RIVERA MERICA KOLI NEW YORK ROME MILAN DUSSELDORP LONDON a ++43-1-710 60 55 Escoti Service

PARIS

EUROCONTACT INT'L ******* PARISTANTWERP GENEVA ZURICH RIVIERA BRUSSELS 1. CNDON VIENNA MILANTROME SI GETMANY & PRACUE COPENNAGENTALINCH HELSING Escat Service Vienna ++43-1-212 0431

ARISTOCATS Escort Service 3 Shouldham St. London W1 London Tel: 0171 258 0000

ALL EUROPE HEIDTS HIGH SOCIETY Vienna, Paris, Rienea, Munchen, Zurich, Geneva, Frankfurt International Escott & Travel Service Vienna ++43-1-535 41 04 all credit cards

CONNOISSEUR NEW YORK, Escon service featisting beautiful, charming, sophisticated models, Tel: 212-679-1991

CHELSEA ESCORT SERVICE Beaucheup Place, London SW1 Tab 9171-584 6513

····ZJRICH - GENEVA - BERLIN HAMBURG - FRANKFURT - MILAN
" CARISMA ESCORT AGENCY "
Tel: 0041-848 90 70 77 - Credit Cards

STUNDIANG FIRST CLASS LADY. Escot service. Indulge your Impeccable taste with New York's most exclusive young brunette. Sophie: [212] 973-1046 USA A FIRST CLASS Escon Service " LONDON " HEATHFOW "

Tel: 0171 225 2347 (24hrs) Credit Cards ABIGAEL Charming, sophisticated, English beauty, 24 hr private escort service in London, 07091 008 009. Credit cards. AMSTERDAM * DREAMS * ESCORTS and Dinner Date Service for Him or Her. Tel: +31 (0) 20-84 02 686 or 64 02 111

ANNA EXOTIC BRUNETTE educated beauty. London/Airports. 24trs. Friendly Escot service 07803 124 866. Cards BARCELONA & MADRID & All Spain Nine's exclusive. High class service. Tel: 629 708 673. All Cerds

BEAUTIFUL YOUNG BRAZILIAN Friendly, Exclusive, Champing Companion London Escot Service 0981 378 969 BLACK SEALITY ESCORT SERVICE Exclusive Elegant Educated & Friendly London & Heathrow, 01812019388, Clarks

CAREBBEAN / PRIVATE / ESCORT Service." Noir " Elegant, warm, attentive & very discreet London 0981 912 112 ESCORT SERVICE SWITZERLAND Begant ladies, 24 brs. All credit cards. Tel: ZURICH ++41 (73) 407 09 31

EXCLUSIVE ESCORT SERVICE (24/24)
"Milan"taily"Cote d'Azur" Tet: +38(0)335
6783257 - +38(0)335 6067984 carpetiem GENEVA PRETTY WOMAN Call 022 / 346 00 89 Escort Agency LAUSANNE-MONTREUX-BASE HIGH LIFE " WENNA " 24 ins. MOST EXCLUSIVE ESCORT SERVICE VENNA ++43-1-3675890 all credit cards

JAN BIK HOLLAND ESCORT CLUB For he and she. Escert service since 1967. Tel: +31(0)20 6222 785/420 3827

KATRINA, Euro-model, passionate, so-phisticated, Pariect company for a spe-cial man. Pir 0777 5993 767 MADRIO-PRESTIGE-BARCELONA THE BEST EXCLUSIVE ESCORT SERVICE CREDIT CARDS. Tel: 434-913.881.588

Merika Privata Escori Sarvica. MEW STURBRING & CHAPMING BLOND Private Excort Service, London: 0171 584 9977

NICE AND FRIENDLY PHOTOMODEL Private Escort Service, KELLY, Londorc 0403 569 772

SOPHIE; THE PERFECT COMPANY Educated, cultural & heateful Discret Escot Service. London 0171 244 1082 ESCORT SERVICE CHELSEALONDON TEL 0403 508689 / 0171 3519 409

WASHINGTON D.C. Private Escort Servica. Exclusively up-scale and discreet. Stephenic USA ++1 202 669 1139

ZVRICH.

(4)

1701

A . 28 . 1883

· English · New All Parts

अंक क्षा

Bivals B

Winared Gov

ulisation in Dispute 3

1.5-0-4

1. 化抗压性原理

Tr. . 75 4---

The second second

ं क्रिकेट के किस्ता कर के किस्ता कर के किस्ता कर कर के किस्ता कर कर कर की किस्ता कर कर कर की किस्ता कर कर की क किस्ता कर किस्ता के किस्ता के

art of 龍翔線。

-- Hg.

Mage.

ं रूपक्षीर

- 113

.-- e **1**--

ា ការកិច្ច ខែកា Total 1 and a second and the same THE SERVICE discount NAT er in three States and the figure

of big ាក **ការសំ** r in production 📆 der all eight Mrs. 1944. State constitute activi 1 114 t 1 not **hani**i di di kataway **mahi** The same is a second

or a state of the dinin. there has Killed tional times प्राथमा स्थापना क्षेत्रकार विकास कार्या a come and a The Manager of the Company

·Cr

of the bosh More the art Mr. arean the state of the s Service One mint re Ausain 1000000000000

RMAND: Firms Plea Confirmation of Page 1 THE RESERVED TO . . waste alite.

The state of the state of and make parties

أأنظورها والهارينتيات أأأأ ें के आईश खुंबा The State of the Hill St. M. Schuedler, a e constanting

of his the host Brown 1 2011 or of the

5、5.4 特点的的编辑数 5 The transfer was the of

Series and e of Albanipan Committee of the Committee of the

the part and the The State Addition 4 ार होते सम्बद्धाः १ The second secon

The transfer Season

the state of the state of Property Children and Car 14 VI 00 135 0

EUROPE

Russia, Using Its Influence on Serbs, Plays a Key Role at Kosovo Talks

By Jane Perlez New York Times Service

Spratty Structures

Done, Manila Says

Defection in India

Quake Hierman

4€); 556

ALL INST

202

· Filespan

4 34 F.

64 mar € 1244

List the m

s man for 1

per deduce

9 10 14 5 AV

द्धक स्टब्स्ट

Ber Breit gan

\$-, **5.º 5 €**

with the site.

建物性排除

عالم الإنهاليونيين العالم الإنهاليونيين

200 BEE . . .

Apple 3 H

Workers Buch to School

114

sides in the Kosovo conflict are being cussed with Belgrade." compelled to accept has begun to emerge, with Russia playing a key role in working to persuade the Serbs to allow NATO-led peacekeepers to take

up positions on their territory. President Jacques Chirac of France province of Serbia. said Monday that Russia, historically an ally of the Serbs as fellow Slavs, had agreed that a ground force in Kosovo was the best solution to stop the bloodshed in the ethnic Albanians' battle for independence, and that Russian soldiers would likely be part of the peacekeeping

The Russians accept it, and I'm convinced they would participate in it,'

Also Monday, Foreign Minister Igor

Ivanov of Russia visited the chateau said here, southwest of Paris, where the Serbian and ethnic Albanian delegations RAMBOUILLET, France — The have been sequestered, and he said later broad shape of a peace deal that the two that military intervention would be "dis-

> He was referring to Slobodan Milosevic, the authoritarian president of Yugoslavia. Serbia is the dominant of the two republics remaining in the Yugoslav federation, and Kosovo is a

> The Russians, who have never before been so helpful to the West on the long-running problem of dealing with Mr. Milosevic, pledged their help last month on resolving the Kosovo issue when Secretary of State Madeleine Albright visited Moscow.

In the next few days, as the Saturday deadline for the talks approaches, the Russians have promised persuade Mr. Milosevic of the necessity of accepting the troops, a senior European diplomat

"The Russians are working on the Yugoslavs and were asking for a little more time," the diplomat said. "The Belgrade leadership needs to put some spin on this, but seems more or less

Acquiescence to the presence of troops on Yugoslav soil is part of a basic tradeoff for the two sides that goes as follows, two European diplomats close to the talks said:

The ethnic Albanians must drop their demand for a referendum on the status of Kosovo at the end of the three-year interim period established by the plan. At the same time, the Serbs must

agree to a NATO-led peacekeeping force, a proposition that they have vehemently opposed on the grounds that it would represent an infringement on Ser-

'It's 'yes' to NATO for the Serbs and 'no' to a referendum for the Albanians,"

one of the diplomats said. "All the rest is Albright said about an interim accord, the settlement reportedly will say nothconversation."

The suspense for the next few days will be seeing how President Milosevic decides to maneuver and whether the ethnic Albanian delegation, which has shown unexpected unity, will accept the Province, where ethnic Albanian sepdisappointment of not being promised a referendum on independence.

■ U.S. Envoy Flies to Belgrade Charles Truehart of The Washington

Post reported from Paris:
The chief U.S. negotiator for Kosovo,
Christopher Hill, left the peace talks for Belgrade on Tuesday to give President Slobodan Milosevic the international community's latest warning to sign a peace agreement or risk military pun-

The intransigence of the Serbian negotiators has become the widely pre-dicted central stumbling block, a "deal breaker," Secretary of State Madeleine

noon on Saturday.

President Milosevic and the delegation he sent to Rambouillet have refused to consider any foreign troop in Kosovo aratists have been waging a year-old

armed struggle for independence. Secretary of State Albright spoke by telephone with President Milosevic on Tuesday morning, a senior U.S. official said, and the Yugoslav leader agreed to receive Mr. Hill, who will be accompanied by diplomats from Britain and France, the host countries for the peace conference.

Mr. Hill, who is the ambassador to what the United States regards as the ethnic Albanian delegation's likely acceptance of the draft interim accord.
"We're in spitting distance of a

the official said — even though

which mediators insist must be signed by ing about the province's dream of independence or even of future mechan-

"It ensures that those who have doubts about the use of air power against

Failure to come to a deal because of Serbian intransigence on this issue will result in NATO air strikes on Yugoslav military targets, U.S. and European of-Macedonia, will brief Mr. Milosevic on ficials have warned over and over

Ulster Rivals Back Plans For Shared Government

But Disarmament Dispute Still Threatens Peace

By James F. Clarity New York Times Service

BELFAST — The Northern Ireland Assembly approved sweeping changes in the political structure of this predominantly Protestant British province on Tuesday. The changes are designed to give the Roman Catholic minority more ments to deal with most matters, expower and to end the sectarian violence cluding security and taxation, and a that has killed more than 3,200 people in the last 30 years.

and after two days of acrimonious debate at the Assembly in the Stormont area of Belfast, was hailed by mainstream Protestant and Catholic leaders as an historic move toward permanent peace.

The changes would also give the overmore influence in northern affairs and rule powers to the Assembly by the British government in London. Britain has ruled here directly since 1974, with local councils controlling only burials and garbage removal.

But the final enactment of the changes was still threatened by the bitter dispute over the disarmament of the Irish Republican Army, which has observed a cease-fire for 19 months, but refuses to surrender a single bullet or a pound of Semtex from its arsenal, estimated at 100 tons of weapons and explosives.

London, scheduled to begin next month. not to get mired in it. Without Sinn Fein's representing the

IRA in the new structures, the changes, designed to bring the Republican movement into a peaceful political process, would be futile and could lead to a resumption of paramilitary violence by and only as part of a 28,000-strong the IRA and by smaller, but efficient, Protestant guerrilla groups. Some of the Protestant groups have

threatened to make attacks in the Irish Republic if the peace effort fails.

The president of Sinn Fein, Gerry Adams, notes, accurately, that the peace agreement approved last year does not require disarmament before May 2000 and that the sustained cease-fire reflects the IRA's support of the peace effort.

Mr. Trimble says that this is not

enough, that the Protestant majority needs assurance in the form of arms surrender. Some mainstream Catholic leaders are straddling the issue, affirming the need for disarmament now, but acknowledging that it is not actually required by the peace agreement approved by leaders last spring and overwhelmingly confirmed in June in referendums in the North and the Irish

Officials say that Mr. Trimble and Mr. Adams will have to blink soon, approving a solution to the disarmament dispute that both can describe as a victory. One possibility, they say, is a statement by the head of the disarmament commis-

sion, General John de Chastelain, the former chief of staff of the Canadian Army. But no one has proposed exactly what General de Chastelain could say to finesse the problem and end the growing sense of crisis in the peace effort. Under Tuesday's vote, Northern Ire-

land is to have 10 government depart-North-South Ministerial Council of six units comprising officials from the The approval, by a vote of 77 to 29, North and from the Irish Republic supposed to cooperate in areas like the economy, tourism and agriculture. Protestant hard-liners, like the Rev-

erend Ian Paisley, see this cooperation as an abominable prologue to a united Ireland, free of British control, run from whelmingly Catholic Irish Republic Dublin. But the peace agreement stipulates that there will be no end to British pave the way for the restoration of home sovereignty here without the consent of the majority, which is likely to remain Protestant well into the new century.



REMEMBRANCE — A Sarajevo resident clearing snow from grave of his sister, who died in siege of city.

GI's in Kosovo? Critics Fear That It's a Dark Alley

By Serge Schmemann

Assembly, David Trimble, insists that Clinton's proposal to send U.S. troops to discussion about what we are trying to until disarmament actually begins, the Kosovo heartened promoters of a more do.' IRA's political wing, Sinn Fein, will not active American role in preventing ethbe allowed to participate in the new ex- nic carnage, it also aroused fears that the the return of home rule powers from cient swamp without a clear idea of how In his announcement during the week-

end, Mr. Clinton said that about 4,000 soldiers would be sent to the Serbian province of Kosovo only if the warring ethnic Albanians and Serbs there agreed NATO peacekeeping force.

He argued that it was in the United

States' national interest to resolve a con-flict that could lead to "tremendous loss Democrat of New York, agreed on the

stopping bloodshed was a worthy objective in itself and that the struggle in Kosovo, an enclave bordering on Al- crisis as director of the program on prebania and Macedonia with a predominant population of ethnic Albanians, had the potential to escalate into some-

thing far larger and more threatening.

The doubts focused on whether Kosovo really touched on American national interests and whether the administration really knew what it was getting into or how to get out of a region notorious for its instability and complexity. More broadly, critics charged that is the southeastern flank of NATO, Washington was plunging into the mor- which involves relations with Russia, ass of the Balkans without a concrete idea of its role as the world's sole su-

"I'm very tom about it," said Henry Kissinger, the former secretary of state. can't do this. We can't get involved in Mr. Clinton's decision, is the intangible For those prepared to see the United

John McCain, Republican of Arizona, tervention, they say. ecutive cabinet being prepared to accept administration is marching into an an- took a similar stance. He said he would support sending forces to Kosovo because of the threat of a broader conflict, but "with great reluctance." "We have no exit strategy," he said.

'We have no concept of NEWS how we want to settle this ANALYSIS situation." This was so, he added, even though the president has been aware of the Kosovo

crisis for a long time. of life and a massive refugee crisis in the middle of Europe."

There was little debate among foreign-policy experts and politicians that and never be seen again or heard from

again," he said. Barnett Rubin, who has followed the ventive action at the Council on Foreign Relations, argued that the very instability of the region made it a national interest, as the United States has long act together in Bosnia, and when we considered its security linked to Euro-finally did, belatedly and reluctantly, it

The conflict in Kosovo, apart from any humanitarian aspect, has the threat of spreading in that region," he said. "It could draw in Greece, then Turkey. This Germany and other things important to us. So even though there's no immediate threat, this doesn't mean it doesn't involve our interests."

One of those interests, argue Amer-"At this point I will support it, but we ican officials and others who support fied, but leadership is necessary."

every ethnic conflict as a police force damage to North Atlantic Treaty Or- States assume a policing role in the without sooner or later getting over- ganization credibility if the alliance al- world, one troubling question is how to continue unrestrained in Europe. The costs of idleness in the face of atrocity U.S. forces to go to the Balkans, but not Among congressional critics, Senator could well outweigh the risks of in- to far bloodier places like Rwanda.

interest because of all the talk of American and NATO credibility," said Richard Haass, director of foreign-policy studies at the Brookings Institution.

Among those who welcomed Mr. Clinton's decision, the notion that the latest Balkan flare-up could spread only underscored the fact that America had to be prepared to quell ethnic brush fires it bluntly, in contrast with Kosovo, they early, before they became conflagra-

"With the end of the Cold War. America still has strategic interests in Europe," said Richard Holbrooke, the representative-designate to the United Nations, who was instrumental in negotiating the peace agreement in Bosnia.
"When people boast that we're the only remaining superpower, they have to rec-ognize that this fact implies obligations and responsibilities as well as opportunities. It took us four years to get our finally did, belatedly and reluctantly, it was decisive. "The dilemma for the United States

now is that we face a choice in places like Kosovo between a relatively early involvement, by which to prevent worse tragedy, or a more costly involvement later, after tragedies even greater than those we've already seen. Americans are understandably reluctant to do this, and it is incumbent on the administration to make the case to Congress and the American public. Skepticism is justi-

Why, for example, is it reasonable for The predominant response is that

"To some extent we've created an Americans simply cannot go to every crisis, that there are limits to what the public will accept and that different crises pose different degrees of danger. "It's a question I have struggled with

for a long time," said Lawrence Eagle-burger, a former secretary of state. 'Geographically, Rwanda and Burundi are much harder to deal with, and to put are a distinctly different level of threat. Kosovo is not only in Europe, but could engage other members of NATO. Greece and Turkey.

"Having said that," he added, "it's hard to ignore that tens and hundreds of thousands of people are getting killed' in ethnic conflicts around the world.

Mr. Haass, who worked on the National Security Council for the Bush administration, said the United States has to assess crises one at a time. It has to "ask about stakes, but also whether we can devise an intervention that can accomplish some good at a cost that doesn't outrun the stakes." In Kosovo, he said, "arguably we can."

Yet more broadly, he said the United States has to accept that its history and power vest it not only with strategic responsibilities, but also with moral obligations. "Part of what makes a great power great is its willingness to put itself on the line even when vital interests are not involved," he said.

"In some ways this is about trying to promote our vision of order. It's something we choose to do, not have to do." isms to vote on it. The Kosovar Albanians' prior accept-

ance of the deal is important to the final confrontation with Mr. Milosevic, the source said, because it would place blame for an impasse squarely on one

Yugoslavia will not have any arguments," a Western diplomat said.

Westerners in Pristina, capital of Kosovo Province, were reported to be packing for possible evacuation in the

BRIEFLY

Miners Again Move Toward Bucharest

PETROSANI, Romania day after he was sentenced to 18 years in prison for a deadly 1991 protest, Miron Cozma, a leader of Romania's coal miners, led his followers on a renewed defiant march Tuesday toward the capital.

The miners were cheered as their buses passed through villages along the route, arriving in the city of Targu Jiu, about 240 kilometers (150 miles) northwest of Bucharest. They gathered in a central square and chanted "Cozma! Cozma!" as security troops stood by.

Three thousand coal miners massed earlier in a village about 20 kilometers south of this western city, seeking to prevent the arrival of Interior Ministry troops to arrest Mr. Cozma.

Most of the coal mines in the western Jiu Valley were closed Tuesday, with miners refusing to work to protest Mr. Cozma's sentence. The Industry Ministry called

After Snow Deaths. Fire at Ski Resort

GRENOBLE, France - Fire tore through the center of the French alpine town of Chamonix on Tuesday, destroying a community hall a week after a huge avalanche killed 12 people near the popular ski and

The fire broke out around 11 P.M. Monday and burned for most of the night as firefighters were hampered by the narrow streets and confined spaces of the old town, the police

Four firefighters were slightly injured and about 50 people had to be moved out of their homes when the fire spread to buildings around the community center. Last Wednesday, an avalanche

swept into 17 chalets and killed 12 people near Chamonix, in the Mont Blanc region.

Annan Gives Libya Assurances on Trial

UNITED NATIONS, New York — The UN secretary-general, Kofi Annan, in his contacts with Libya over the Lockerbie trial, has promised that the prosecutors would not try to undermine the Libyan government, diplomats said Tuesday. Any trial in the Netherlands of the

two Libyans accused in the 1988 bombing of a Pan Am Flight 103 over the Scottish village of Lockerbie would be a criminal one to determine guilt or innocence, not a political pros-

Libya said over the weekend that it was willing to hand over the two alleged agents for trial before a Scottish court sitting in the Netherlands. But diplomats said Tripoli wanted political assurances.

GERMANY: Firms Pledge to Give to Fund documents showing how bank man-

Continued from Page 1

Historians say that as many as 800,000 Poles, Czechs, Russians and Ukrainians were subjugated by the Nazis and forced to perform backbreaking tasks in inhumane conditions to sustain camps and factories during the war. While lump-sum payments were made to Poland and other East European countries, victims living under Communist rule rarely saw

As the first German leader with no direct personal experience in the war, Mr. Schroeder says he wants his country to enter the new millennium having paid off its outstanding debts to history. He has dispatched his chief troubleshooter, Bodo Hombach, to the United States and Israel seeking to broker a solution on the slave-labor question with the help of those governments and lawyers representing up the fund, only started pushing the those governments and lawyers representing

But the biggest factor that may have broken the impasse has been a new willingness by German companies to confront the past and settle accounts left over from the Holocaust. As in politics, a new generation of German business managers is striving to clear up Naziera injustices that their parents and grand-

parents failed to resolve. Many German companies have hired independent experts to sift through wartime archives to explore what must be the darkest chapter in their company history. Only two weeks ago. Deutsche Bank historians released

agers were fully aware that loans they disbursed helped finance the construction of the Auschwitz concentration camp.

The motives of German companies, however, are also being driven by powerful economic considerations. Many of them feared that unless some kind of compensation fund was established, they could face the kind of international business boycott that threatened Switzerland's two largest banks un-til they reached a \$1.25 billion settlement signed just last month.

In the case of Deutsche Bank, Chairman Rolf-Ernst Breuer, who idea when he realized that a proposed \$10 billion purchase of Bankers Trust in the United States could be derailed unless some kind of deal was achieved. But Michael Witti, a lawyer in

Munich who represents some of the slavelabor claimants, said there were dozens of other firms that profited from the Nazi forced one million people may have legitimate legal claims to compensation.



Krupp's chairman, Gerhard Cromme, left; Deutsche Bank's chairman, Rolf-Ernst Breuer, center, and Chancellor Gerhard Schroeder at a press conference on Tuesday in Bonn.

recognized that many of the victims were reaching the end of their lives and vowed to names in German banking and industry. They expedite assistance to them in a manner that is include the automakers Volkswagen, BMW labor regime and have a moral obligation to "fair, cooperative, unbureaucratic and above and DaimlerChrysler; the chemical and pharcontribute to the fund. He said that as many as all fast." The German government, which maceutical companies Bayer, Hoechst and will supervise the fund, wants the first payments to be approved by Sept. 1, the 60th In their joint declaration, the German firms anniversary of the invasion of Poland.

The companies include some of the biggest BASF: Deutsche and Dresdner banks; the industrial firms Degussa-Huels, Krupp and Siemens, and the insurance company Allianz.

THE CONRAD INTERNATIONAL BRUSSELS BECOMES

The Jeading Hotels of the World IN BRUSSELS, CHOOSE SIMPLY THE BEST.

Hilton Reservations Worldwide - Europe: toll-free 00 800 444 58 667 or direct 00 32 2 718 39 11 The Leading Hotels of the World: Great-Britain toll-free 00 800 181 123, Germany toll-free 00 800 85 21 100, France toll-free 00 800 136 136

CONRAD NTERNATIONAL

INTERNATIONAL

The Mounties Got Their Man, but Did They Go Too Far?

By Steven Pearlstein Vashington Post Service

EDMONTON, Alberta — When a bomb exploded last October at a gas well just west of the tiny Alberta town of Beaverlodge, few doubted that it was simply the latest attack by a small band of "ecoterrorists" who had been waging a guerrilla war

against the oil and gas industry.

Alberta's premier, Ralph Klein, vowed to punish the saboteurs to the "fullest extent of the law," while the target of the blast, Alberta Energy Co. Ltd., announced it was doubling the \$50,000 reward offered for help in finding the perpetrators.

Ranchers and oil field workers flocked to a series of community meetings to hear from an anti-terrorism expert from Toronto.

There was talk that people might have to take matters into their own hands if the police did not do something to stop the man widely believed to be the ringleader of the insurrection, a 56-year-old organic farmer and Calvinist preacher named Wiebo Lud-

wig.
But at a bail hearing for Mr. Ludwig two weeks ago, prosecutors acknowledged that it was not Mr. Ludwig who had detonated the bomb at Beaverlodge, but the Royal Canadian Mounted Police working secretly with Alberta Energy.

According to the Mounties' documents, it was all part of a ruse designed to insinuate a police in-formant into Mr. Ludwig's band — a neighbor killing in front of him, then sending him to Toronto

whose testimony and tape-recorded conversations to pick up an illegal million-dollar payoff. eventually led to Mr. Ludwig's arrest in January on violate explosives laws.

Since then, Canadian newspapers have lined up to editorialize against the unusual police tactics. Cartoonists had a field day at the expense of the Mounties' bomb squad. Opposition politicians here and in Ottawa demanded investigations.

And most legal experts have agreed with an Edmonton lawyer, Gwilym Davies, a former law professor, that the Mounties had "gone over the line" in fighting crime with crime.

'This isn't Waco, Texas," said Mr. Ludwig's lawyer, Richard Secord. "It's Canada! We don't do things like that up here."

For the Mounties, this was the latest in a series of controversies that have damaged their reputation. For more than a year, a special panel has been trying to determine whether the Mounties abused the rights of student protesters at a summit of Pacific Rim leaders in Vancouver in 1997 on orders from Prime Minister Jean Chretien

After months of resistance, the federal government agreed Monday to pay the legal costs of the protesters during the official inquiry into the con-

Here in Edmonton, a judge recently threw out murder charges against a man the Mounties had

But in the town of Hythe, where Mr. Ludwig lives nine counts of conspiracy to destroy property and and where concerns about civil liberties take a back seat to concerns about safety, residents have lined up solidly behind the Mounties.

"If you blow up a sour gas line, you will kill a lot of people," said Hythe's mayor, Frank Webb, referring to the strain of natural gas found here that can be fatal if inhaled even in small doses. "That's not eco-terrorism - that's just plain terrorism. We had to do something to put a stop to it."

Ever since a gas leak forced evacuation of his 320-acre (130-hectare) Trickle Creek "community" in 1991, Mr. Ludwig has blamed the industry for the death of 60 of his livestock and a succession of human health problems.

At first, his protests were confined to admin-istrative appeals filed with government regulators who routinely proclaimed, along with industry officials, that there was no scientific evidence linking oil-patch activities to problems with animal or human health. But beginning in 1996, Mr. Ludwig began issuing warnings of possible violence if the industry did not change its ways.

Small acts of sabotage against the industry began that same year. The regional Mounties commander messaged superiors that a serious situation was developing. More than a year later, bullets were fired through the manager's office at the Alberta Energy Co. plant in Hythe.

Eventually, the Mounties would assign as many

as 100 investigators to the case.

By the time of the Beaverlodge bombing, the police had logged nearly 160 incidents, including three gas-line bombings and the encasement of three

wellheads in concrete.
In July 1998, Alberta Energy offered to pay Mr.
Ludwig \$525,000 for his land — 50 percent above market value. He was prepared to accept the deal until he read the fine print, which required him never to return within 500 miles (800 kilometers) of Trickle Creek and never to talk publicly about the buyout or

his environmental concerns for the property. Infuriated, he rejected the offer and vowed to stay

and fight.
In the following months, three more bombs went off at oil and gas wells, all within several hundred miles of Hythe.

Last week, the Mounties said that their plotting had reflected the urgency they felt to put Mr. Ludwig behind bars. Phone taps, round-the-clock ground and airborne surveillance and a complete search of Trickle Creek had failed to turn up the necessary evidence. In January, Mr. Ludwig and an associate, Richard

Boonstra, were arrested on charges that appeared to be based almost exclusively on taped conversations with the informant, Robert Wraight, who now is believed to be living in British Columbia under the



Mounties' witness-protection program.

Mr. Ludwig and Mr. Boonstra are being held without bail, pending a preliminary hearing in May.

Weibo Ludwig, a Calvinist preacher who engaged in a standoff without bail, pending a preliminary hearing in May.

Saudis See Iraqi Threat As a Sign of Desperation

Saddam's Warning Stirs Speculation on Sanity

Controlled by Our Staff From Disputches

RIYADH — A Saudi newspaper said Tuesday that Baghdad's threats against Saudi Arabia and Kuwait indicated that he has lost his mind," the government-President Saddam Hussein was desper- guided Al Riyadh daily said in an edate and "has lost his mind."

Iraq has warned that it is prepared to attack air bases in Saudi Aradia, Nawali and Turkey that are being used by U.S. newspaper added. and British wardlanes patrolling no- The White House, meanwhile,

BRIEFLY

Series of Explosions Rocks Úzbek Capital

TASHKENT, Uzbekistan — A string of powerful blasts rocked the Uzbek capital on Tuesday, killing 14 people and wounding 128, in what President Islam Karimov said was an attempt on

A spokesman for the Emergency Situations Ministry, updating the death toll, said that five car bombs had exploded shortly after 11 A.M. A sixth blast was

Mr. Karimov, 61, immediately went on state television to denounce the perpetrators, who he said were trying to

The president had been due to lead a cabinet session in the government building when two car bombs went off just 100 meters away on the central Mus-takillik Square. There was no immediate claim of responsibility.

Artillery Duels Erupt South of Eritrea Port

ADDIS ABABA, Ethiopia Ethiopian and Eritrean gunners exchanged "heavy artillery fire" on Tuesday on the eastern front, about 70 kilometers (40 miles) south of Eritrea's strategic Red Sea port of Assab, the Ethiopian spokeswoman, Salome Tadesse, said.

In Assab, an Eritrean Army officer said earlier that three Ethiopian fighterbombers had unsuccessfully attacked a water reservoir that supplies the port city. If confirmed, the raid would be a further breach of a moratorium on air strikes agreed last June. Fighting between the sides resumed this month after a seven-month lull.

Voters Select Leaders For Nunavut Territory

IQALUIT, Northwest Territories -Decades of dreams and hard-nosed negotiations came close to realization Monday as voters in Canada's eastern Arctic chose the first government of Nunavut, a new territory to be created on April 1.

About 80 percent of Nunavut's 25,000 people are Inuit, and the new government is expected to be the first in met with Mr. Aziz on Monday, before Canada — except for tribal councils controlled by an aboriginal people.

A total of 71 candidates competed for

19 seats in the legislature of Nunavut. to put and end to "provocative acts" in The new territory will be the first change to the map of Canada since the entry of Newfoundland in 1949.

More Aid Proposed For Central America

WASHINGTON — The Clinton administration is asking Congress for an emergency aid package of \$956 million for Central America's rehabilitation and reconstruction from last fall's devastating Hurricane Mitch.

The money, which White House of-ficials characterized as a package assembled with Republican consultation said. "Then how can an Iraqi deputy and certain to be approved, would supplement \$300 million already provided

He also rejected allegation for immediate disaster relief.

The package was to be officially announced later Tuesday. President Bill Clinton is scheduled to travel to Honduras, Nicaragua, Guatemala and El Salvador next month.

flight zones over Iraq.

"Saddam is doing strange things, like attack air bases in Saudi Arabia, Kuwait someone who has lost all hope," the

> warned Iraq anew Tuesday that if it carried out the threats against its neigh-bors, the punishment would be speedy and severe.

with a swift response," said the presidential spokesman, Joe Lockhart. The Iraqi vice president, Taha Yassin

nouncing that Baghdad was capable of striking allied air bases in the region. The response was the second U.S. warning in as many days amid the almost

daily skirmishes in the zones between allied planes and Iraqi air defenses since four-day joint air action by Britain and the United States against Iraqi military targets in December.

Turkey considered the threat from Iraq serious enough that it asked the United States to send a battery of Patriot airdefense missiles to Incirlik, which the

The United States also has Patriots

tained way before.

In Ankara, the deputy prime minister of Iraq, Tareq Aziz, defended his gov-ernment's threats.

not be used by the Americans and British

over the northern zone in Iraq.

from Turkish officials. U.S. fighter planes based at Incirlik have struck almost daily at Iraqi defense sites after being targeted while on patrol. Iraq has reported a number of deaths in

Prime Minister Bulent Ecevit, who

President Suleyman Demirel did not should be received by the head of state,"

The no-flight zones were set up after the 1991 Gulf War to protect the Kuris in the north and the Shifte Muslims in the

Mr. Aziz, who traveled to Turkey through the Iraqi Kurdish areas, ques-

tioned the validity of the zones. "They claim they are protecting the Kurds from the Iraqi government," Aziz

Baghdad was providing camps to Turk-ish Kurdish rebels fighting for autonomy Prime Minister Ecevit said Monday | Sal he had handed over intelligence data on (AP) the issue to Mr. Aziz. (AP, AFP, NYT)

There is nothing one can say about Saddam's latest statements except that

*Any contemplation of that act would be a grave mistake and would be met

Ramadan, sparked the reaction after an-

Even before the Monday warnings,

Iraq considers the no-flight zones to be violations of its sovereignty, but it has never challenged them in such a sus-

The United States and its allies created the zones to protect Iraqi ethnic in Europe to desist. Some did. groups — Kurds and Shiite Muslims facing military attacks by Baghdad, especially from the air. After the raids in December, Iraqi

forces began to confront the U.S. and British jets patrolling the no-flight zones in a series of one-sided exchanges that have resulted in the destruction of several Iraqi anti-aircraft missile sites and other targets with no loss of allied air-

"The U.S. and British planes are killing Iraqis, are destroying Iraqi prop-erty and this is not acceptable." Mr. Aziz said. "A Turkish air base should

to hurt Iraqis."

Vice President Ramadan said Iraq
would attack the Incirlik air base in
southern Turkey if Ankara continued to
let U.S. and British jets use it to patrol There was no reaction to the threats

the threat was issued, had rebuffed demands for Turkey to withdraw permission for the air base and asked Baghdad the no-flight zones.

meet with Mr. Aziz, a gesture that had clearly angered the Iraqi deputy prime minister. "It is the golden rule when a high level official is visiting that he Mr. Aziz said.

He also rejected allegations that in southeast Turkey.



Operation Desert Fox, the intensive Police in Stockholm using a dog against Kurdish protesters Tuesday after they occupied the Greek consulate. PROTESTS: Kurds Go On Rampage in Europe, Attacking Embassies in Major Cities

Continued from Page 1

reports that Ocalan had been arrested, and

talking to another and to another." There were also less violent, but defending bases in Kuwait and Saudi equally fervent marches by chanting an estimated 50 Kurdish protesters demonstrators outside United Nations buildings and at the gates of the Council

By late Tuesday morning, a spokes-man for the Kurdish Parliament in exile issued a statement asking demonstrators

Protesters in Moscow walked out of the Greek Embassy midday Tuesday and surrendered to Russian policemen. Fourteen men and two women who occupied the Kenyan Embassy in Paris for more than three hours, threatening to immolate themselves and their hostages surrendered quietly to the Paris police. And by Tuesday evening, French policemen had liberated all occupied consulates and embassies. But in other places, many others said they would not give up. 'We will stay here until we get some

broke into the building at around 2:30 A.M. and held a custodian hostage.

Outside, as many as 600 demonstrators, held back by steel barricades, fought briefly with the police, who used dogs and riot sticks to quell the violence. One Kurdish woman set herself on fire and was badly injured before a police officer could douse the flames with a fire

extinguisher. Another of the Kurds inside the embassy, who gave his name as Ofter, told reporters by telephone: "We are com-pletely committed. We will do anything we are made to leave. The protesters inside are ready to burn themselves or throw themselves out of the windows if the police try to break in. We will stay

here for as long as it takes." Germany, which had refused to issue

Mr. Peres, succeeded by Mr. Net-

vors the creation of an independent

Unofficial results showed Shlomo

Ben-Ami, a Moroccan-born liberal

with roots in both academia and among

170,000 registered Labor Party mem-

Ranked third on the unofficial list of of a would-be Palestinian state.

answers from the Greek authorities," an extradition order for Mr. Ocalan last severe burns. one of the Kurds occupying the Greek November because government officials Chancellor Gerhard Schroeder again Embassy in London told a British radio feared that would provoke the kind of sought on Tuesday to distance Germany "We are not representing any- violence that sprung up Tuesday, was from the Ocalan affair. "This is a matter Department of Defense agreed to do in what we should do. It was one person one but I can tell you that we have not spared. More than 400,000 Kurds which only affects the countries insupport from the PKK."
Policemen ringed that embassy after

Liepzig to Stuttgart. various consulates peacefully. Policemen

dreds more were arrested in Smittgart.

live in Germany, including 10,000 in volved," he said. "Those that extradited Frankfurt Policemen and demonstrators him and Turkey. The German governbattled in nine different cities, from ment is not dealing with this matter." For months, Mr. Ocalan had appealed Otto Schily, the German interior min- to European countries for political

ister, pleaded with the Kurds to leave the asylum or an international trial that would allow him to avoid being deported in Frankfurt used riot sticks and water cannon to subdue Kurds who were turning over cars. From 100 to 200 demonstrators were arrested after clashes with the police on Tuesday morning, and hun-find harbor elsewhere in Europe and ended up in Kenya.

Policemen had cordoned off the Street, surrounded the Greek Consulate rendered four hours after storming the with trucks, video cameras and even a Greek Consulate in Milan and holding few water cannon. But they also allowed six people hostage, including the consul more than 100 Kurdish demonstrators to the Italian government implored Turkey remain in front of the occupied building to give Mr. Ocalan a fair trial. Italy had and sing protest songs.

In the state of Baden-Wuerttemberg, a 17-year-old Kurdish girl set herself on Italy from extraditing prisoners to counfire and was taken to the hospital with tries that use capital punishment.

OCALAN: Turkey Seizes Kurdish Leader

Continued from Page 1

ing after Mr. Ocalan's capture was announced. They were told that Ankara ion. intended to use his trial to show its

respect for legal formalities. "They know they're going to be under scrutiny, and they want to do their utmost to be scrupplously fair," said an ambassador who attended the briefing. People around Ecevit are going even further. They see this as a way to break the statemate on human rights altogether, to push through reforms that the system has been resisting." Several European leaders encouraged

opportunity to improve their image and make substantial improvements in their human rights practices. "We expect the trial to respect all the

guarantees of the rule of law," Foreign Minister Lamberto Dini of Italy said, Dutch police battling Tuesday with Kurds near the residence of the "and particularly to respect European Greek ambassador in The Hague. The Kurds seized three hostages, standards of fundamental rights. We be-

Israeli Labor Party Picks 'Doves' for Campaign leader and a Nobel Peace Prize lan- 120 names, Mr. Ben-Ami was fol-

> Israel's groundbreaking 1993 deal with the Palestinians. The two vowed that Labor-led peace moves would win world recognition

Palestinian state by negotiated agree- for Jerusalem as Israel's capital Mr. Neganyahu asserted that the Labor candidates were old-timers and so far outside the Israeli mainstream that they would easily "surrender" to the creation of a Palestinian state by votes in the Monday of the nearly Yasser Arafat, the chairman of the Palestinian Authority, and concede parts of East Jerusalem to serve as the capital

lieve that if Turkey behaves in accordance with European standards, that will help it get closer to the European Un-

Mr. Ocalan lived semi-clandestinely

Syria from about 1980 until October. Turkish military commanders made a series of statements threatening to attack Syria if it did not expel him, and in late October he fled. He turned up first in Russia and then in Italy.

Turkish leaders demanded his extradition, but Italy refused on the grounds

pects to countries where the death penalty is in force. Furious Turks launched their Turkish counterparts to seize this protests that ranged from economic boycotts of Italian goods to the burning of In January, Mr. Ocalan was reported to have left Italy, and his whereabouts until Tuesday were uncertain. He spent

that its constitution forbids sending sus-

found none. After that episode, he disappeared According to information provided

several days this month flying around

Western Europe seeking a haven, but

Tuesday by Foreign Minister Bonaya Godana of Kenya, he landed secretly in Nairobi and was sheltered by Greek dip-JERUSALEM — The opposition reate, was unchallenged for the party's lowed by Yossi Beilin, an architect of

U.S. Denies Involvement The White House said Tuesday that it

was "very pleased" by the capture of Mr. Ocalan but denied any direct U.S. involvement in his handover to Turkey, Reuters reported from Washington.
"We're obviously very pleased with
the apprehension of this terrorist lead-

Lockhart, said, "We have consistently urged all govermnents to help bring this person to justice consistent with international

the White House spokesman, Joe

Texas Trial Opens On Racist Killing JASPER, Texas - Physical evidence from the crime scene, racist

William King to the gruesome drag-ging death of a black man last year, prosecutors told jurors Tuesday.
"Evidence will show Bill King had to do something dramatic in order to gain attention in their warped world," the district attorney, Guy James Gray, said in his opening statement in Mr. King's trial in the death of James Byrd Jr.

tattoos and detailed written plans

for a new hate group will link John

Mr. Gray described Mr. King as a young man full of hate. Tattoos on his body, he said, "will reflect and tell you the deep-scated anger and hatred that this man has." Mr. Gray said the tattoos include Nazi and Ku Klux Klan symbols, and a tattoo of a black man hanging from a tree.

A lighter, Mr. King's DNA found

on a cigarette and less than a drop of the victim's blood on Mr. King's shoes all tie the 24-year-old unemployed laborer to woods and a county road where Mr. Byrd was beaten last June 7, then chained to the back of a pickup truck and dragged for 3 miles (5 kilometers).

ENERAL

French Trade

. 44 57.73

当時他類樣

To see and the see

transport of Frank (1) tank of the profit of the art was known to rectant and the

CANADA MA

1.04 3 THE 18 THE

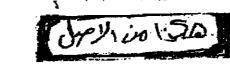
医生产主要 領

.001**46 129 1800**

1011-0192-09 Herald

MOBILES.

A STATE OF THE PARTY OF THE PAR



Labor Party, eager to take over from second spot.

rightist government, has chosen dovish anyahu as prime minister in 1996, fa-

The Labor leader. Ehud Barak, a with roots in both academia and among former army chief who will challenge low-income people, won the most

Prime Minister Benjamin Netanyahu's

candidates for parliamentary elections

scheduled on May 17, and they vowed on Tuesday that they would break — if

elected — a deadlock in peace ne-

Mr. Netanyahu in a race for the prime

minister's post on the same day, was

Shimon Peres, the former Labor

gotiations with the Palestinians.

unchallenged for the top spot.

and Investmen

She to trading to appear of Marila House International Bras If you have seening Land San Administration

Discount in Mostp. . Main and the first to the first Manager of the state of the sta

men shaptheworldby mi

Shop the World By Mail. Commence!

Airles fax Frag a'a makenya

TRANSCO r ester blis i Se de eller i the set in Name .

THE INTERMARKET

Capital Raising for:

- Private Equity (Seed Money, Start-Up, First Stage, Expansion, Venture Capital)

Corporate Finance (Direct Public Offerings, Initial Public Offerings, Project Finance, Syndicated Credit Arrangements)

We are interested especially in projects / companies of the latternet, Computers, New Media and other future-oriented industries.

ministries. Shot written in pairies to CFN Cosmos Financial Network, Inc. ("The Network in FinanceCosteings"). Loesnits. 22. CH-8001 Zurach. Fax ++41/1/226-4009. Brokers welcome.

LEADING

INTERNATIONAL

SPECIALISTS

Offshore Companies

& Trust Formation

Fast, efficient, professional.

Management, nominee &

\$350

\$500

£850

\$495

\$495

£225

£250

£495

administration sarvices

Book introductions

Bohomas

Belize - IBC

BV Islands

Cyprus

Florida

Jersey

Delaware

ireland (Nan-Res)

Others on request

Credit Cord payments accepted.

Call NOW for more information.

Charterhouse

Group Limited

+44 1624 813566

fax +44 1624 816339

isle of Man

£250

. US\$450

OFFSHORE COMPANIES

FOR EUROPE +44 171 510 5748 FOR THE AMERICAS 1-800 572 7212 FOR ASIA +852 2922 1188

OFFSHORE COMMERCIAL BANK

with established

correspondent relationship

Management available

IMMEDIATE DELIVERY

U\$\$45,000

Tel: 403-233-8488 Fax: 403-233-8988

<u>OFFSHORE</u>

COMPANIES, TRUSTS & FOUNDATIONS FROM US\$350

Since 1977 we have ensciolered in

since 1977 we have specialized in advising on the use of offshore companies, frusts and other structures to achieve both personal and corporate tax savings and to maintain privacy.

We incorporate in ALL offshor jurisdictions and offer full por incorporation services

SERVICES ORD/LIMITED

Tel: + 353 1 661 8490

Fax: + 353 1 661 8493

E-mail: irl@ICSL.com

OFFSHORE

ST BARTHELEMY

sale, expanding busines

Neutily Cedex France

COMMERCIAL

REAL ESTATE

IRELAND

TCI

ISLE OF MAN



Suul Time I

*

drai

KAF

a Mari

Texas Trial Opens

with and inclusion and the police

On Racist Killing

145919 all that the 1 125.72g interes and of the first fact Baration State of انجا عدانها Malling to the con-

. . . .

10 Sec.

At Artis

4 - 44-15

 $M(\delta_{\rm 0.022}$

200

1.0

 $A \mapsto A$

Transfer Makes

.

. . .

argentists of S **4.**

giftle State

physical attack

新在水柱。 la de la constant pa n 44.00 be + i

- 基本組 (4) ご

gar Egin bir

٠٠**٨٤ ۽ ۾ي**

pour 3

\$ mig 2

9444 to ...

200

gerfaction is

李州维尔

May Seizer Kurdish Isah

4.45

f me A STATE OF THE STA

abassies in Major Cities many in

Silver Survivor · March

-

. water.

25 YRS OCEANWIDE MOTORS vortimite supply of law-free cars. ALDI Marcades, BMMV. Porsche, Call Germany -19-211-4453330, Izv. 49-211-44 938322

RENT AUTO DERGI FRANCE: Weekend FF500 - 7 ders: FF1500, Tel. Park +30 (0)1 4368 5555 Fax (0)1 4353 9529

Auto Rentals

Autos Tax Free

CATALOG

http://www.shoptheworldbymail.com

French Trade

and Investments

Over 600,000 business contacts by placing

your ad in this special heading to appear conjointly in the Intermarket of the INTERNATIONAL HERALD

TRIBUNE and LE MOCI (International Trade Weekly).

REACH INVESTORS,

EXPORTERS & IMPORTERS THROUGHOUT THE WORLD

Contact:

LE MOCI. Carine Cohen.Tel: (33 1) 40 73 33 18 or

Imelda Mauve at the INTERNATIONAL HERALD TRIBUNE,

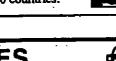
Tel. Paris: (33 1) 41 43 92 09

LE MOC Herald Eribune

Shop The World By Mail

*Savings Coupons *Free Catalogs

Catalogs shipped to over 100 countries!



AUTOMOBILES

Alfred Eacher Street 10
CH-8027 Zurich
Fax 01-202 78 10
Tel. 01-202 78 10 Same day registration possible, renewable up to 5 years We also register cars with (expired) foreign (lax-free) plates.

Autos Tax Free

ATK WORLDWIDE TAX FREE CARS! Expot new and used LHD / RHD cars. Terrincipel 40, 2830 Activery, Belgium. Phone +32.3.645.50.02, Fix +32.3. 645.71.09 E-mailmit beigium@skyoel be

25 YEARS WE DELIVER CARS TO THE WORLD Brand New LHD Vehicles All makes and models competitively priced Transco Vosseschijnstreat 51 2030 Antwerp - Beiglum Tel. + 32 3 542 62 40 Fax + 32 3 542 58 97 E-Malt; Transco Octub innet.be

for Holidays & Travel, Residential Real Estate and Dining Out. To advertise contact Sarah Wershof on +44 173 510 5718 or In. +11 171 987 3162 A GREAT DEAL HAPPENS AT THE LYTERMARKET

Fînancial investments

Capital Wanted

Diamonds

GREAT RETURN IN CABS - US\$10M4

Principal fully secured, monthly interest profit payments. Fax: +44 171 299 4321

ROUGH DIAMONDS. We will pay instant cash for gem quality. Alnoan origin, volume only. Fax 954 474-3868 USA

\$10 MEO. CASH FUNDS FOR TRADING. If you wash to enter a HYTP, we provide cash funds against payment of bank less. Califax (+41)-81-252-1188 Business Travel BECOME A CORPORATE TRAVEL AS-BECOME A COMPONATE HAVEL AS Rises and cut travel costs. Earn commis-sions on your travel bookings, receive lower travel costs through our interna-tional rade death, have faster access to travel information via our web site. and Financial Services

FINANCIAL PROFESSIONALS save up to 50% on your own travel costs with our Corporate Travel ID. 5795 USD. For more information, visit our website at: www.travehitions.com and click on "Corporate Travel Affiliate" Phone 001-716-383-4470 Fex 001-716-586-8688 or London Voice Mail 44-171-6813295.

Capital Available

Business Opportunities

Trade FUTURES & OPTIONS

on the intermet www.singade.com

SFH Trading & Brokesage Ltd. Stadelhofstr. 18, 8024 Zurich

SERVICES WORLDWIDE from an American in Geneva who will conduct candi-

date interviews, ettend meetings or other consultancy work on your bettell. Knows UN system. Fax UAS for information (441) 22 777 1855

BUSINESS OPPORTUNITIES

Business Opportunities

OFFSHORE

COMPANIES 1

Comprehensive Services

Tel: +44 (0) 1624 826591 Fax: +44 (0) 1624 625126 E-Mail: asion@enterprise.net Web Site: www.asion-lon.demon.co.uk

ASTON CORPORATE TRUSTEES LTD

OFFSHORE COMPANIES

READY MADE CO'S., FULL ADMIN TRADE DOCUMENTS AND LIC

Contact Stella Ho for immediate

services & company brochure NACS LTD, Room 1108, Albion Plaza 2-6 Granville Road, TST, Kowloon

2-6 Grammile Road, TST, Kowtoon, Hong Kong, e-mail: racs@hik.super.net Tet: 852-27241223 Fax 852-27224373

Drink Soberly - Drive Safely
An all natural alcohol
distordant capsule which effectively
reduces stochol effects on the central

nervous system, preventing damage to Ever, kidneys, stomach and brain. MILLION DOLLAR PROFIT POTENTIAL

Discovered by world renowned Chinese Scientists Potential Partners/Distributors reply to:

IMPERIAL GOLD HONG KONG INC. Tel:1-514-762-9990 Fax:1-514-762-9891 EMAIL: ImperialGO@aol.com

INFOLAND Co. orginated in USA. Greece, now having a strong develop-ment & support software team in Roma-

ment è support sometire team in richte-nal, seels partiers in other countries to promise "miopach" program, already suc-cessiully marketed in Greece, Romania & Bulgaria. "Indopach" cen be easily trans-lated in any other lenguege. Send inter-est with your Company's or personal pro-file: Indoard s.r.t., O.P. 31, C.P. 70, Cod 72350, Sector 2, Bushbaret, Pormodrie

73250, Sector 2, Bucherest, Roman Tel: +40.1 / 2523590, Fax: 2523555.

E-mail: infoland@rollnk.ro or

MAJO SERVICE, RESIDENTIAL Large

U.S. based company with over 20 years experience & 100 offices. Will help you start your own nazed service with our

manuals, software, training videos, and experience. \$19,995 US no royalies. Fax: 770-391-9092, email

CAPITAL CORP. Merchant Banking is looking for Business Development Agents in Europe. Fax Exec. Suremany at: 001-407-248-3457.

OFFSHORE COMPANIES. For free bro-chure or advice Tel: Landon 44 181 741

1224 Fex: 44 181 748 6558/6338 www.appleton.co.uk

YOUR OFFERS TO BUY & sel MIN

ebura & zeratnedeb kost omet omičnom oil & AU, may be faced to: Mr Mermaha. +44 161 228 6542. England

etworking for major players.

INT'L SOCIETY OF FINANCIERS

Fox 828-251-5061 USA

CONTACTS: EUROPE / USA

Your office away from borne. Tel: +49-2151-392292. Fast -392274

IT'S TIME TO BUY HOTELS in France

LOOKING FOR SECOND-HAND MINHA Expender-System. Offers to E-mail: sa@sde-ets.ch

Yes! We have a fist of 150 hotels w brancing Fax: +33 (0)1 47 27 18 20

READERS ARE ADVISED

that the International Herale Inbune connot be held respon

sible for loss or damages

incurred as a result of transac-tions stemming from advertise-ments which appear in our

paper. It is therefore recom

mended that readers make

oppropriate inquiries before

ding any money or enter any binding commitmen

WE PROVIDE DOCUMENTARY &

Standby Letters of Credit, Bank Guaran-tees. Proof of Funds & Funding Commis-ment. Fax: 305-682-1620 USA.

LEASING OF CASH FUNDS. We lease

cash deposits from you (US\$ 15 mg) on

casi depusas non you (Los 15 mo) on a hilly ben't secured basis without mor-ing your cash or dissolving your term de-posit IF YOU WISH TO LASE FROM US (\$ 100 mio +) for huly secured trans-actions call LIK +44 - (0)403 823561

FOR SALE: BANKING COMPANIES &

International Olishore Banks. Contact us now at Fex: +49-220-779 381 Germany

TOP LEVEL BUSINESS CONSULTING.

Highly experienced internationally renowned Psychiologist offers exclusive personal consulting for CEOs, Managing Directors & Senior Management, Focusing in strategic titinking, issue management, interpersonal relationships & Lateral funking. Fluent in French, English & Spanish. Availability from Manch 1999.

-mail: isan antimos@wanpicon.k.or. English & Spanish. Availability from Manch 1999.

-mail: isan antimos@wanpicon.k.or. English

E-mail isan ambrosi@wanacioo k or Fax:

ATELEIA MANAGEMENT LTD

(Offshore Corporate & Trust) Contact, Tony Gould/Alam Albert Tel/Fax: +44 1824 616007/616006

E-mail ateleta Centerprise.net or Bernard Cambray France Tel-Fax +33 2 9891782996917904

Mobile +33 609732796

ESTABLISH YOUR BUSINESS PRESENCE AT PRESTIGIOUS ADDRESS IN MONTE CARLOMONACO

for as little as USS460-month. ICS - Integrated Corporate Servic Fax: +377 93 30 20 17.

E-mail: ics@tmcn.mc

Real Estate - Litigation - Interpretion. Tel 212-797-5400. Fax: 212-943-3295

Bond Street - Mail, Phone, Fax, Telex Tet 44 171 290 9000 Fax 171 499 7517

New unique product with massive

sales and earning potential Call for information Tet +46 500-44 58 00

e-mad no Chc-lazer.com

2min Preservants i Unway Loseoss i Degrees-Camoutage Passonia/Secrat Bank Accounts Fax +3120 5241407, E-mail 100413 32450 compuserve com http://www.global-money.com

AGENTS WANTED! To Sel US Corpo-rators & LLCs from \$300 (a) inclusive)

Corporate Consulting Ltd. Telephone: 302-529-0500 or Fact 302-529-9005 USA

2ND PASSPORT S10K Aise EU.

Diplomatic, Drivers Licences, Email: cquel@unel.net.ph Fac 63-2-831 7552

GENERAL

E-mail cottengolds@aol.com

YOUR OFFICE ON LONDON

Business Opportunities

Business Services

Banking

ALLIANCE FUNDING & TRADING UNLIMITED CAPITAL AVAILABLE COMMERCIAL MORTGAGES VENTURE CAPITAL EXPANSION CAPITAL INITIAL PUBLIC OFFERINGS (IPO) RGERS & ACQUISITIONS

Our Company also provides Business Plan Building and Assistance, along with the structuring of Offshore Corporations for tax and asset protection. NO UP PROWT FIEES SROKER INCLIRIES WELCOME

TEL: 001-954-524-6511 001-954-457-0665 FAX: 001-954-524-2338 Please visit our website at:

"MANEDIATE & UNLIMITED " Capital available for ALL business projects! MR U.S. S1 mil/no max. (717) 397-7777 (U.S. VOICE)

INTERNATIONAL FINANCING SPECIALISTS Venture Capital - Commercial Mortgage nnovative Financing - Latiers of Credit distroum 51 Million - Brokess Welcome

RJI, INTERNATIONAL Tet: 001-242-363-1649 Pag: 001-716-779-8200

> Guistandes-LC's-CD's-T-Bill's "Funding of Negotable Bank Instruments "Place-ment of Safekeeping Recept "SEEKING PROJECTS FOR FUNDING "Capital SUMMERY 208-725-0192 USA

UNLIMETED INT'L FUNDING Business and Project Financing - Verbure Capital. Fax brief project summary: +31 114 690 364 or a-mail successium@yahoo.com

BLOCK FUNDS - LC'S AVAILABLE Tel: +44 171 570 5658 Fax: +44, 171, 373, 4558

O HOLY ST JUDE, aposte and many: pred in virtue and not in miracles, oser knemen of Jesus Carist, badhali memossyor of all who snybas your special patronge in teres of need. To you I have recourse from the depth of my heart and humbly beg you to whom God has given such great prover, to corce to my assistance. Help me in my present urgent petition. In resum i promise to make your name known and cause you to be invoked. St Jude pay for me and all who invoke your aid. Humbly in need of your miercession. Amen. Thank you for answering my prayers

Herald Eribune

0044 Malaysis (503) 9812814 Philippines 885 4946 Singapore 325 0835 Tahren 7753456 Theliand 277 4485 Esember (4852) 23221171

VENNA, AUSTRIA. Tel: 713 - 3274. Ara you sad or womed? Lonely or de-pressed? Are you despaining or suppola? It helps to talk about it Phone. BEFRUENDERS in total confidence. Mon-

Fri. 9:30 am - 1 pm and swery day 6:30 pm - 10pm.

FEELBIG low? - Having ombiens? SOS HELP crais-line in English. From 3.PM to 11.PM. Tet. Pans +33 (0):1 47 23 80 80

Legal Services

swering my prayers

Announcements

Personals

Real Estate

Potential for High Returns! FAX inquiries to: 242-394-5076 कारते. विदेशका हिमाइत द्वारा

ASEAN visa free passport \$ 5K

BUSINESS

SERVICES

DISCOUNTED

U.S. SECURITIES

ing in Private Block Tran

For your clients' acco

HARD TO BORROW? LISE COLLATERALIZED LOANS

We Locate Funders For Business and Fleet Estate

Anthony Abreham, ESQ - Reel Estate Eric A. Klein, ESQ.-Attorney/Fictuciary INTERNATIONAL DEVELOPING ENTERPRISES AGENCY (IDEA) 590 Medison Ave. NY, NY 10022 Ph: 212-751-0800 / Fex: 212-688-44 World Phone: (500)367-6000

email: panglob@aol.com

DOCUMENTARY CREDIT COMMERCIAL CREDITS Blocked finds and availability of funds Financing against suitable projects International Financial Services SA 5201 Sibe Lagono Drve, Penthouse Marni, FL 33125 USA Tel: (1-305) 718-4203 Fee: 1-305) 718-4203

FINANCIAL GUARANTEES nsurance / Reinsurance backed quarantees for qualified Fax: 561-391-4280 USA

Fax: (1-305) 716-4100

HTC, Providing A Confidential Company And Trust Formation Service - With Bard Accounts - Anonymous And ID Free Fac: +41 32 322 2235

> BANK GUARANTEES. L/Cs Interest Only Loans Project Finance Fax: CRS -44 1455 #51384

CAPITAL PROJECT LOANS Apply to PO Box 15429 1001 MK Amsterdam / Holland

FUNDING COMMITMENTS, Reserved Funds. Proof of Funds by major banks Call us in Europe -49-171 77 77 393

Import/Export 2NO HAND bullet proof vest (Class 2 & 3) Low prood. Cuarnty only Fax +32 83 690290 Emait armound infonie be

FULLY SERVICED ROOMS in the center of ROME. Tet +38 06 54220362, Fax 38

EMPIRE STATE RUIDING **ADDRESS**

Gain instant credibilit Establish a NY prese the world's best-known building. Mail received, phon answering, conference room, furnished mini-offices. EMPERE STATE BUSINESS CENTER TEL: 212-736-8072 • FAX: 212-564-1135

FINANCIAL **SERVICES**

Contact

Fax (63-2) 810-9284

Tel. (63-2) 894 5358

www.bac.com.ph

BUSINESS

FINANCE

AVAILABLE

For any viable

projects worldwide.

Fax brief synopsis in

English to: -

Corporate Advances UK

+ 44-7070-658080

We run your office

Business addresses, furnished offices, meeting facilities, high-tech equipment

Rely, Tel +39 02467 12283 Switzerland, Tel +41 1 214 62 62 New York, Tel +1 212 605 04 00

Tel. +31 20 520 75 03

Serviced Offices

CAPITAL

AVAILABLE

PASSPORT FUNDING PROBLEMS? AGENTS NEEDED SOLUTIONS

EU visa free passport **BANCOR** \$10K EU Citizenship \$25K OF ASIA Diplomatic Appointment \$35K Bankable guarantees BY LAWYERS 100% RENEWABLE to secure funding Tel: +36 1 319-2684 Fax: +36 1 319-2689 info@second-passport.com

for viable projects: VENTURE CAPITAL www.second-passport.com **EQUITY LOANS** REAL ESTATE Long term collateral Supported guarantees

import/Export

NOAMEX INC, LARGE GRADER OF USED CLOTHING For women - men - children PREMUM & DOMESTIC QUALITY Denim Jeans & Denim Jackets Export big bales, small bales, boxes, AFRICA, ASIA, EUROPE, MED-EAST, CENTRAL & SOUTH AMERICA Tel:718-342-2278 Fax:718-342-2258 US

BUYING OUTLET FOR THE LARGEST Trading Companies. Branded and Lucury goods WE ARE BUYERS FOR: Fragrances/cosmetics watches pens, chinaware, crystal, handbags, optical frames, surglasses. All branded goods. Please califfax. TRADING DESK. Tel USA: +1-212-807-0973 Fax: +1-212-989 1561 All calls treated with the utmost

DUTY PREE CAGARETTES delivered to your door by mail Please visit:

Partnerships 1 4 1

EXPERIENCED RADIO EXECUTIVE, for-mer founder and president of FM & AM group, sold these stations very profileby Now westes to begin new chain of AM & FM radio stations with European partners Contact Richard J Miller, Con

Serviced Offices

YOUR OFFICE IN PARIS

is ready when you need it.
* Fully functional modern offices & meeting rooms to rent by hour-day-month. Your tactical or permanent base
Prestige mailing address. All services
B & E 91, Fog Saint Honore, 75006 Paris

New York/WALL STREET Office 589.00/mo. Mail. Phone, Fax, E-Mail Conference Rooms. Furnished Offices. Reception Tel: 212-943-1111 Fax: 212-943-2300 www.sri-my.com

WORLD WIDE BLISINESS CENTRES NETWORK'

Employment

In over 100 cilies worldwide

General Positions Available

POSITION: EXPORT SALES of sole

drinks packaging in East Europe.
Languages: Russian, Poish, Hungarit
Experience, Plastacs Packaging andit
Soft Drinks Industry.
Travel: 50% of time.

EDUCATION

GREAT BRITAIN

Cultural Courses - History of Art (three days to eight weeks), Italian for all levels, Drawing, Cooking, Opera, Photography. Excellent study facilities. Accumodation

can be arranged

The British Institute of Florence, Piazza Stroszi 2, 50123 Firenze, Italy. Tel +39 055284031 Fax +39 055287071

THE BRIMSH INSTITUTE OF FLORENCE

TELECOMMUNICATIONS

New Lower Rates!

Call the U.S. from: Germany......24¢ Italy.....27¢ Japan..... 22 ¢ Ú.K.....16¢

No Deposit **No** Minimum **No** Set Up Fees No VAT

Instant Activation • Fiber-Optic Networks Itemized 6-Second Billing • Ideal for Home, Office,
Hotels and Mobile Phones **Agent Inquiries Invited**

Tel: 1.206.376.1962 • U.S.: 1.800.965.1626 Fax: 1.206.376.1963

417 Second Avenue West Seattle, WA 98119 USA www.kallback.com • Email: info@kallback.com



to call US, UK, France, Germany, Sweden, Norway, Australia, Canada, from anywhere in the world

(plus ultra low rates to all other destinations) when using Net2Phone Pro ** system (one time fee not included)

ali 201 287 8400 Fax 201 287 8437 NEWWORLD

International Herald Tribune International Franchise Guide

The definitive guide devoted solely to International Franchising, master franchises and area development opportunities. Detailed, up-to-date profiles on the world's leading international franchisors and service providers, 192 pages, 1 S\$34.93 (includes shipping).

Send to IHT Guide, P.O. Box 12488, Oakland, CA 94604 PSA, Cash, Money Order, Visa, or AVC. (Send Acct #, explicy date & approval signature).

Tel:(510) 839-5471 or Fac (510) R39-2104. Web site: www.franchiseinil.com

E-mail: sourcebook@earthlink net

THE WORLD'S DAILY NEWSPAPER

Berglo Eribane

l's

ē

Our Goal Was Success!

goal of building a lucrative, self-sustaining ousiness. After loss than two years we have built our franchise into one of the top leaders in cleaning and restoration services in Brazil. Fundamentally, it was a result of hard work and good support from Steamatic Headquarters." "I recommend Steamatic to anyone aspiring to



COM

build a successful business!"

1-817-332-1575 BMS Technol FAX: 817-332-5349 bsims@steamatic.com

TRANSCO BELGIUM

DIVORCE M 1 DAY, No travel, Wate. Sox 377, Sudbury, MA 01778 USA. Tet 978/443-8387, Fax. 978/443-0183. See Friday's Intermarket for Sale Real Estate Investments

SUPERS PRIME CENTRAL LONDOM OPPORTUNITY 96,57,58,59 UPPER BERKELEY ST. WI

Development/Investment

4 Adjoining Properties available as one let or individually Current use as HMO 125 yr long leasehold interest with a full vacant possession Potential to convent into 24 leas STPP. PRICE OLIRO 82 74 for the whole lot as STREP. STREY one hardron. or from £875K per building subject to contract for a QUICK SALE.

Arair Meghan: Tel. 0181 349 1085 Mo-pile: 0836 622 200 Fax 0181 349 2153

Paris and Suburbs 6th, RUE DES ST PERES superb 2/3-noom apartment in excellent condition, prepiace. Notains +33 (0)1 42 65 94 85

Real Estate for Rent

Paris Area Furnished AT HOME IN PARKS

PARIS PROMO Aparameris in rent humshed or not. Sales & Property Management Services. 25 Av Hoche 75008 Paris Px01-4561 1020 Tel: +33 (0)1 45 63 25 60

AGENCE CHAMPS ELYSEES Specialists:
Fornished apartments, 3 months or more
or unfurnished residential areas. Tel: +33 (0)1 42 25 32 25 Fac: +33 (0)1 45 63 37 09

18th, meno Fanelagh, owner rents 70 sq.m. - 12 sq.m. balcony, mady to move m. FF8.000 met. Tet. +33 (1):1 4527 8176 Paris Area Unfurnished

> 18th, EXELMANS Pressone building
> Beautial Bings
> NEWLY REDONE APARTMENT.
> 4 noons, 161 sp.m., 2 bedrooms
> clases, bojn Boor open view FF11237 schuling charges SAGGEL TRANSACTIONS Tel: +33 (01) 55 07 69 95

Paris Area Unfurnished

8th, MONTAIGNE / MARIGNAN
Beauthul Strings
Entirely renovated apartments.
Froms, dupler, 179 sq.m., FP25,000
+ charges, Parking in the building.
SAGGEL TRANSACTIONS
Tab. 23 mile SE or 26 e.e. Tet +33 (0)1 55 07 69 95

17th, NEAR WAGRAN Freestone building.
Beautild Rivings.
Entrely renovated apartment.
6 noom apartment, 255 sq.m.
Living room, Gring room, 3 bedrooms.
FF24.500 + charges.
SAGGEL TRANSACTIONS

Tet +33 (0)1 55 07 68 9 PARIS 16th - PLACE D'ENA. Spiendid apartment for receptions, \$70 sq m., Effet Tower view, high class, freestone building with considerge, 3 bestooms, bai-conest, celear. FF32,550/month charges included. Tet owner +33 (0)1 4727 7829.

NEURLLY - Between Bois & metro, 7 rooms, 150 sq.m., parquet, equipped latchen. FF16.000 net Mauf's room pos-stole. Tet +33 406 09 25 22 88.

Switzerland

GENEVA, LUXURY FURINSHED apartments. From studios to 4 bedrooms. Tel: 41 22 735 6320 Fax +41 22 736 2871

Holiday Rentals

Caribbean LUXURY PRIVATE VILLAS for rent on Saint Lucia & Tobago, Calt: +31 (0)30 234 5332, Jeave message for Mr Weber

Herald Eribune

PLANNING TO RUN A CLASSIFIED AD? Place your Ad quickly and easily, contact your, nearest II-TI office or representative with your text, You will be informed of the cost immediately, and once payment is made your ad will appear within 48 hours. All major Credit Cards Accepted.

GERMANY, AUSTRIA & CENTRAL EURO-PE: Fromblum. Tel · (0:69) 9712500 Fax. (0:69) 97125020

HONG KONG: Tel. (852) 2922-1188 Telex: 61170 #MNX. Fox: (852) 2922-1190.

SINGAPORE WL. 223 6478. Fox: 325 0842. Tales: 28749 HT SIN.

Next Special Heading REAL ESTATE "In and around PARIS" February 26th 1999 REAL ESTATE in FRANCE March 12th 1999

For more details please contact: International Herald Tribune in Paris Tel.: +33 (0) | 41 43 93 85 Fax: +33 (0) | 41 43 93 70 E-mail: classified@iht.com

THE WORLD'S DAILS NEWSPAPER

EUROPE ASIA/PACIFIC

1402 TEANECK ROAD + SUITE 114 + TEANECK, NEW JERSEY + 07666 + USA INT'L FRANCHISES Looking for International Franchise Opportunities? Just published - New 1999 Edition

÷ ----

Why to Act in Kosovo

It is a fair question, now that President Bill Clinton has announced his peacekeeping plan, if agreement is reached in this mainly ethnic-Albanian, independence-minded province of Serbia: Why should the United States be taking on even a lesser share of the costs and uncertainties of a second Balkan intervention in Kosovo? After all, the first Balkan intervention, in Bosnia, brought not a bright and clean success but a long slog with an unsure and still distant conclusion. Why burden NATO with another Balkan rescue mission? Why not leave Kosovo to the Europeans? Who is not painfully aware that Mr. Clinton, coming off his impeachment passage, has scant political capacity for asking the nation to take on such a mission at this time? Nonetheless, it is the right thing to

do if the United States is going to maintain the leadership role that global stability requires.

The American part in Kosovo need not be disproportionately large. Indeed, it should not be, and, according to the plans announced over the weekend, will not be. But the American part must be of dimensions suitable to signify the importance of halting the vi-

olence in Kosovo before it gets out of hand; there still is time. Further, the American part must be of dimensions to rally others in Europe as well as Russia to take the larger part.

It is enough to recall the Serbian slaughter at Racak last month to understand that to allow violence to expand unchecked in Kosovo would be an offense against conscience as well as against strategy. It is true that America cannot prevent every tragedy everywhere from happening, but a tragedy in Kosovo plainly falls into a geographical and political zone in which American interests cannot be denied.

In Rambouillet, France, where negotiations are continuing, the Kosovo side accepts the Contact Group's plans for broad autonomy, while the Serbian side digs in. The Serbs face allied military action if they are held responsible for a diplomatic shortfall, while the Kosovars face a loss of Western support. If the talks produce agreement, a better future is possible. If they do not. the realistic forecast is for another descent into Balkan hell. The deadline that the Contact Group has set for wrapping up the talks is Saturday.

- THE WASHINGTON POST

Revamp Venezuela?

Just seven years ago, Lieutenant Colonel Hugo Chavez went to prison for an attempted coup in which he nearly assassinated the president of Venezuela, the oldest democracy in South America. The other day, pardoned and recycled as a first-time politician, the 44-year-old former paratrooper beat out a onetime Miss Universe and took office as president of a country sinking into ever deeper distress. The leading question asked about him now is whether he will fulfill his vaguely leftist campaign promises and destabilize the economy, or renege and destabilize his political base.

President Chavez promptly set out to organize a series of referendums to move from the 1961 constitution, which tended to fence out leftists, to a new constitution with a broader base. His plans ignited alarms of power-grabbing, but the traditional parties appear inclined to let him show what he can do in circumstances where they themselves had faltered. Still, it is disconcerting that he offers no persuasive rationale

for far-reaching constitutional reform. Despite its ranking as Latin America's fourth-largest economy, Venezuela has been devastated by the decline in prices of its key export and life force, oil. Its double-digit inflation rate is rising, its budget deficit is a huge 9 percent of domestic product, and its poverty rate is put as high as 80 percent.

Mr. Chávez's economic plan emphasizes the collection of large sums of unpaid taxes and the revision of the tax code. Both of these projects would jostle arrangements long in place. The raising of rates for revenue can only cut across the lowering of rates for investment. Austerity, including essential cuts in public sector jobs, will touch first his supporters on the left and in the unions.

What sort of restructuring does Venezuela actually need? Some close observers think it needs something simpler and more basic: clean government, less waste and corruption, responsible politicians.

-THE WASHINGTON POST.

Calendar Puzzles

George Washington, whose accomplishments Americans celebrated on Monday, came into the world on either Feb. 11 or Feb. 22, depending on who on the second of this month and not ... is counting. He was born at a time when Britain and its colonies did not agree with the rest of Europe about

By the 18th century, the British empire was practically the only part of the Western world that was still using the ancient Julian calendar, which was about 11 minutes out of sync with the actual solar year. Pope Gregory XIII had fixed the problem in the 16th century, by directing that everyone simply skip from Oct. 4, 1582, to Oct. 15 in order to get the sun and the calendar

back in harmony.

The Protestant English resisted the idea of a papal system of timekeeping until Washington's era, when they could no longer ignore that spring was showing up much earlier in the wheat fields than on the calendar. Britain and its colonies fell in line, leaping from Sept. 2, 1752, to Sept. 14 and adopting the Gregorian calendar.

Some people were outraged at the idea of being cheated out of 11 days' rent, and there were reports of disturbances by rioters. Benjamin Frank-

lin, ever the optimist, suggested that Americans should instead luxuriate in the opportunity to "lie down in Peace

awake till the morning of the 14th." Anniversaries got fast-forwarded as well. Young Washington went to bed with a birthday on Feb. 11 and woke up with one on Feb. 22. To make matters more confusing, the new calendar called on Britons to move the first of the year from March 25 to Jan. 1, so Washington could never again be sure whether he had been born in 1732 or 1731.

Never one to be moved by fads, Washington continued celebrating his birthday on Feb. 11. But when he retired from office, his countrymen started observing Feb. 22 in his honor the day that would have been his birthday if Britain had been quicker to listen to a good idea from a Pope.

It was a tradition that continued until 1971, when Congress, heeding the pleas of the travel industry, decreed that the nation would remember both Washington and Abraham Lincoln on the third Monday of February, a day that has little to do with history but a great deal to do with three-day va-

cations and used-car Sellathons. -THE NEW YORK TIMES

Other Comment

Fighting Bioterrorism

Last Christmas, fire officials responding to a report that deadly anthrax spores had been planted in a Pam Desert, California, department store herded shoppers into a parking lot, ordered them to remove their clothes and then hosed them down with a bleach solution. For the 200 shoppers, it was humiliating and frightening. The threat turned out to be a hoax, as were a dozen

anthrax scares since then in California. In hindsight, it is easy to accuse officials of going overboard. But what if the shoppers actually had been exposed to anthrax? Clearly, efficient procedures for detecting potentially deadly pathogens and for dealing with po-

tential victims need to be developed. While it is unclear that terrorists have the skills to actually use biological weapons to cause mass destruction, the Clinton administration is right to propose that Congress set aside money to thwart such a possibility.

Bioterrorists will one day pose a genuine peril. Potential targets, from cities to companies, must become much more sophisticated in fighting them and in separating threats from real danger. - Los Angeles Times.

Herald Cribune

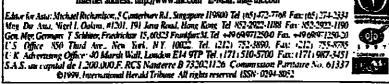
KATHARINE GRAHAM, ARTHUR OCHS SULZBERGER

PETER C. GOLDMARK Jr., Charman and Chief Executive Officer RICHARD WOOLDRIDGE, President and Chief Operating Officer

 WALTER WELLS, Munugung Edutor • PAUL HORVITZ, Deputy Manugung Edutor
 KATHERNE KNORR and CHARLES MITCHELMORE, Deputy Editors ROBERT J. DONAHUE, Editor of the Editorial Pages JONATHAN GAGE, Business and Finance Editor

• RENÉ BONDY, Senior Vice President and Chief Financial Officer

Directeur de la Publication: Peter C. Goldmark Jr. International Herald Tribuse, 181 Avenue Charles-de-Gaulle, 92521 Neutly-sur-Seine, France.
Tel: (1) 41.43.93.00 Fax: Subscriptions, (1) 41.43.92.10; Adventsing, (1) 41.43.92.12; News, (1) 41.43.93.38.
Internet address: http://www.ibt.com E-Mail: im@ibt.com





Russia, the Big Albania, Is a Menace to Everyone

WASHINGTON — I ran into the Russian reform party leader Grigori Yavlinsky in Europe two weeks ago and asked him a simple question: When America wakes up from its impeachment nightmare, what kind of Russia will we find?

He thought about that for a moment and said: "You will find a Russia that is even more of a threat to you than the Soviet Union. Frankly, it's more of a threat to its own people. That is what I care about. But it is also more of a threat to you." Mr. Yavlinsky's point is a bit of an overstatement, but not much.

Russia today is a threat because of its weakness, not its strength. It is like a supertanker with a busted hull leaking rancid crude oil all over the place. It is selling weapons to anyone with cash; its most Dr. Strangelove-like scientists are putting themselves out to the highest bidders; it cannot afford to properly maintain and safeguard its nuclear arsenals.

So what to do? Well, all the un reconstructed Cold Warriors around Washington are dying to declare that Russia's experiment with democratization is over and America should go back to treating it like the Soviet Union. There are so many people who miss the Cold War, with its absolute-goodBy Thomas L. Friedman

vs.-evil quality; they hunger for a return of the Politburo.

Frankly, I wish Russia were the Soviet Union again; at least you knew how to deal with it. But it is not and pretending that it is only fosters the illusion that you can just sit back, build an iron curtain around it and contain Russia's weakness as you once contained its strength. Good luck. Try containing a Russian technical college selling nuclear know-how to Iran out of a Mafia-run Moscow.

Russia is not the Soviet Union. It is just a big Albania — an experiment in democracy gone wrong, spewing out criminality, weapons and unemployment in all directions.

The United States cannot afford to ignore this Russia, and it cannot effectively contain it. In such a messy situation, Washington needs to strip policy down to basics, and that means focusing on two things: eliminating Russia's "deadheads and warheads." Russia needs to just start over, and

U.S. policy, to the extent that it can, needs to help Moscow do just that. Russia is slated to hold new parliamentary elections in December. The

Parliament, or Duma, today is still dominated by Communist deadheads who live by the old Leainist motto that the worse things are for Russia, the better they will be for Communists. If we have learned anything from the past four years, it is that as long as the Duma is dominated by Communists it will be impossible for any Russian president to

build a real foundation of reform. Russia needs many things, but nothing is possible without a different Duma. The potential votes are there.

put in place the basic institutions to

As the Russian-American scholar Leon Aron, author of the forthcoming biography "Boris Yeltsin: A Revo-lutionary Life," points out, in the 1996 presidential election Mr. Yeltsin beat the Communist Party leader, Gennadi Zynganov, by a margin of roughly 4 to 1 among Russian voters under age 25. The Communists dominated the over-60 crowd. The demographics in Russia are on the side of reform.

The West right now should focus on organizing forgiveness and a restructuring of Russia's debts, to take the pressure off the government of Prime Minister Yevgeni Primakov so that it can run a credible budget that may begin to draw back some private investment, stop the bleeding and

provide a reasonably stable environment for the December Duma elections. This is the only hope for electing fewer deadheads and more reformers. On the strategic front, President Bill

Clinton should go to Moscow immediately and vow that he will not leave until he has worked out an arrangement for implementing the START-2 and proposed START-3 nuclear treaties. Forget about a big ABM and missile-defense deal right now. It's too complicated.

Russia is ready to reduce from 7,500 nuclear warheads to 1,500, as part of the START process. Let's do that now, and tell the Russians that the United States will pay for it all. That is 6,000 warheads which might not end up in Iraq or on the market.

I do not know whether today's Russia is an infant American Revolution struggling up from communism, or a declining Weimar Republic on a slippery slope to fascism. I do know that America cannot afford to just watch, and can make itself safer by focusing on deadhead and warhead elimination. If Mr. Clinton is looking for a na-

tional security legacy, and not just a Social Security one, he should catch the next plane to Moscow.

The New York Times.

Look What a Fraction of This Arms Money Could Do

By Oscar Arias

WASHINGTON — President Bill Clinton has chosen to begin the new year by advocating the largest increase in military spending since the Reagan era, a proposed addition of \$110 billion over the next six years. For Americans and for members of the international community alike, this decision is truly lamentable.

Instead of offering world leadership on arms control, renewed focus on military buildup promises to replicate both flawed security reasoning and outdated spending priorities.

Those who believe that a bigger defense budget is an effective response to post-Cold War security challenges ignore the fact that the United States and its allies already spend more than twice as much as all of their conceivable adversaries combined. Yet this production and distribution of weapons have made for a more dangerous world.

International terrorism and nuclear proliferation, in particular, are not problems that can be solved simply by a show of American military strength. World leaders must stop viewing militaristic investment as a measure of national wellbeing. And they must embrace

cized nature of contemporary security questions. By maintaining a massive military-industrial complex, the United States sends the wrong signal to other countries whose national budgets desperately need to be directed toward human needs. The sad fact is that half the world's governments invest more in de-

multilateral efforts that recog-

nize the complex and politi-

fense than in health programs. If we channeled just \$40 billion each year away from armies and into anti-poverty programs, in 10 years all of the world's

population would enjoy basic social services — education, health care and nutrition, potable water and sanitation. Another \$40 billion each year over 10 years would provide each person on this planet with an income level above the poverty line for his or her country.

The United States has been notoriously hesitant to particinate in initiatives to establish a cooperative framework for global security. Congress has yet to ratify major agreements on chemical and biological weapons, on the use of land mines, on nuclear testing and on international courts that could hold war criminals responsible for their actions.

Perhaps most significant, the United States, which is responsible for 43 percent of all arms exports, has been unwilling to strengthen humanitarian restraints on these transfers. And

in the past four years 85 percent of weapons deliveries have gone to nondemocratic governments in the developing world.

This proliferation of arma-

ments bolsters the power of militaries, impedes the process of democratization, destroys economic advances, perpetuates ethnic and territorial conflicts. and creates situations in which basic human rights are at risk.

In pursuing true solutions to its security concerns, the United States urgently needs to work with its international partners to limit the availability and spread of deadly weapoury. An important step in this

direction would be to show full support for the International Code of Conduct on Arms Transfers, an initiative sponsored by a commission of 17 Nobel Peace laureates. By insisting that arms-importing nations uphold internationally recognized standards of democracy and humanitarian law, the

code would end the practice of selling weapons to dictators and human rights abusers. Recently, an American Code

of Conduct has been held up by the backroom dealings of arms merchants. Nevertheless, promising legislation is set to be reintroduced before Congress in the coming session.

By holding itself to high moral-standards on weapous sales, the United States would affirm a key maxim for the post-Cold War world: Security today is not found in unilateral buildup and aggressive posturing. Instead, it must be based on an increased commitment to international cooperation and on a renewed investment in the health, education and well-being of all humanity.

The writer, the 1987 Nobel Peace laurcate, was president of Costa Rica from 1986 to 1990. He contributed this com-

East Timor, Like Kosovo: A Transition to Help Manage

NEW YORK — East Timor is six time zones away from Kosovo, but they have national community is trying to stop a year-old civil war and 10 years of Serbian oppression in Kosovo. UN-sponsored talks Albanian population for 10 are in progress on how to put an years. The international com-end to 24 years of Indonesian munity knew about it and did

in East Timor. Both are provinces inhabited mostly by people whose religion, language and ethnicity differ from those of the powers trying to dominate them. In Kosovo, less than 10 percent of the 2 million inhabitants are Serbian, In East Timor, less than 10 percent of the 900,000 inhabitants are non-Timorese.

gave rise to armed separatism. In Kosovo, Belgrade's security forces bullied the pacifist ethnic munity knew about it and did oppression and armed struggle next to nothing until the standoff turned into an armed conflict. By Balkan standards, the death

toll of 2,000 is relatively small. In East Timor, the death toll of 200,000 is enormous. One in every three East Timorese was killed or has died from starvation since the Indonesian invasion in 1975. Jakarta has some 20,000 soldiers stationed in East Timor, who bully and tions are almost identical: "au-

By Anna Husarska reported that

Jakarta is arming loyalists.
International law is entirely on the side of the East Timorese. because Indonesia simply invaded the place. The United Nations never recognized the occupation, although it has not done much to reverse it.

The strongest similarity between the two situations is the mutual hatred between the local population and the colonizers. I have seen it for two years working in Kosovo's capital, Pristina. and I saw it again last month in Dili, the capital of East Timor. It is no wonder that the solube revisited The difference is that the Indonesian government of B. J.

Habibie suggested that it may grant East Timor independence, whereas Yugoslav President Slobodan Milosevic (and with him, alas, most of the international community) still thinks that independence for Kosovo is a no-go.

The parallels between the two situations can be put to use as a to-do checklist.

For the Indonesian government: Let the East Timorese decide their own fate before even more bloodshed or attacks by right-wing nationalists make it impossible to do so without the Indonesians losing face. In Serbia, Mr. Milosevic could have given up Kosovo at much

For the United Nations: Go forces are required. It is easier to be peacekeeping than war-stopping, as was learned the hard way in Kosovo.

American issue.

less political cost a year ago.

beyond the resolutions and help the East Timorese organize, get approval for and monitor the vote on their fate. An unsu-pervised vote would be contested, and a rigged vote could lead to increased violence. (See what happened in Algeria.) If East Timor decides to go its own way, it will need to be a UN protectorate for some time, and no effort should be spared to help, even if peacekeeping

For the Clinton administra-

tonomy plus" for an interim tion: After conferring with Mr. period (from two to five years), Habibie about East Timor, Both Indonesia and Serbia mistrear the population; and it after which the situation will Stanley Roth, U.S. assistant and Pacific affairs, reportedly declared that this was not an American but an Indonesian issue. No, it is not just an Indonesian issue. It is an international issue, just as the Iraqi invasion of Kuwait was an international and therefore

During his presidential cam-paign, Bill Clinton declared about East Timor. "We have ignored it so far in ways that I think are unconscionable.' Now is the time for the Clinton administration to get engaged in a conscious way. Postponing the decision to step in would make it more costly politically.

(See Bosnia, see Kosovo.) Until August, there is a window of opportunity to act on East Timor. President Habibie is ready to consider indepen-His administration needs the international community to help it move forward on this without losing face.

After the June 7 elections in Indonesia, another government may be installed that could be either tougher on letting East Timor go or not strong enough to let it go. The time to act is now, before the international community is forced to act by headlines about some new atrocity.

The writer, a fellow at the Media Studies Center in New York, contributed this comment to the Los Angeles Times.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

an Editorial:] M. Félix Fanre is news that came like a thunderbolt last night [Feb. 16]. Nothing had prepared the public mind for the catastrophe. Fortune contin-ued to smile on him. The difficult negotiations carried on for years with Russia culminated in an alliance which changed the balance of power in Europe and restored France to her old position in the councils of the

1924: Sombre Movies

most, he has been struck down.

PARIS - American movie stories are too sentimental for Nor-

1899: Félix Faure Dies distributor for Paramount Pictures. "Pictures have to be care-PARIS — [The Herald says in fully chosen," he said, because the Scandinavians like sober dead! Such was the mournful stories. Most of our pictures end by kissing and making up and the audiences in Scandinavia think this is not true to life.

1949: Letter to Stalin

MOSCOW - A silk-embroidered letter said to be signed by 16,767,680 Koreans from both the south and north sectors has been sent to Premier Stalin Powers. And now, just as the as a testament of loyalty. They moment the Republic needs him hailed Premier Stalin as "the teacher of the working people. the great savior for the Korean people." The publication of the letter coincides with the current dispute in the United Nations wegian and Swedish film fans, Korea with the Soviet Union over the two governments on so that it is mostly the sombre supporting the north as a member of the United Nations against the Viking peninsula, according the candidacy of the south, adto Mr. Lemat, the Scandinavian vanced by the United States.

MICHAEL GETLER, Executive Editor

• SAMUEL ABT and NICK STOUT, Assertate Editors DIDER BRUN, Curculation and Development Director
 STEPHEN DUNBAR-JOHNSON, Advertising Director • IAN WALTHEW, Marketing Director



Wake Up to the Diversity Crisis

GLAND, Switzerland — More than 31,000 plant and animal species are threatened with extinction, We cannot be sure about the much greater number of species that have not been scientifically recorded or whose status we

simply do not know. Many of these species are relatively inconspicuous in-sects, with a restricted distribution in tropical forests. Their disappearance is a consequence of the continued loss of equatorial forests, especially in Southeast Asia and South America. According to the World Resources Institute, one-fifth of all such forest was

lost from 1960 to 1990. Perhaps 10 percent of coral reef has been degraded beyond recovery in the past 30 years. Half of coastal mangroves have been destroyed.

This gloomy picture should not obscure the fact that we have had important successes. From 1990 to 1995, for example, some 1,500 new protected areas, amounting to more than 220 million hectares, were created.

But the trends of biodiver-

sity loss have underlying

causes that are unlikely to

vanish soon. That makes it im-

probable that the pattern of

degradation can be halted in less than several decades. Why does the international community not do something? Most people would probably accept that genetic, species and ecosystem diversity are crucial to the well-being of

By Claude Martin

materials and fuel, much of our recreation, and the stabil- in many of the gaps in sciity of our climate. Should we not safeguard that diversity? Does the task not merit a body with the powers of the UN Security Council, or some-

thing even more effective? We do have the Convention on Biological Diversity, launched at the UN Confervelopment in Rio de Janeiro in 1992. With some 172 signathe important international

treaties on the environment. 6 billion people has heard of to be done for the convention it? Among those few, who to make a lasting difference. It knows what the convention is must take a more strategic apdoing? So far there has been proach, setting clear targets no real assessment of what changes the convention has frames. It should take meabrought about.

interim financial mechanism, the Global Environment Facility, more than \$600 million went directly into projects for conserving biodiversity in developing countries. But that is a tiny proportion of what is needed to address properly the destructive forces at work.

It is hard to say what impact the convention has had on national policies, although governments have been pushed into pursuing measures that they would otherwise have

systems — population increase, poverty, lax enforcement of conservation regulations. It has taken steps to fill entific knowledge about the

range of biodiversity. The convention has set up a working group to deal with issues relating to community rights to biodiversity and the sharing of its benefits. It is addressing the importance of biodiversity considerations in ence on Environment and De- the assessments of environmental impact that many gov-ernments now insist on before tories, the convention is one of allowing major development

projects to proceed. All these are encouraging Yet who among the world's steps forward. But more needs sures to integrate the prolif-It is true that through its eration of environmental treaties that exist and meet the challenge of incorporating real science in its terms of reference.

If we are to see results from the Convention on Biodiversity, we must give it muscle. That takes political will, the roots of which lie in public opinion. So people need to be more aware of the convention and of the dangers to their livelihood and well-being from the continued loss of biodiversity.

The writer, director general been reluctant to take. of WWF International (for-With UN backing, the con-vention has begun to fill in the for Nature), contributed this human life. In such variety we detail on how countries may comment to the International find our sources of food, raw tackle the pressures on eco- Herald Tribune.

partition of the state of the Senso man de la company de la Great Bir adegentent administration to the lost #45 Wash a stand out of the Hot genhalies aber grafter a parwers Same many and the state of the state of Riberway and the out 12 dature it attack responde de distribution findermin all contributions are the sagare and interests profits த்தையாக கொண்கள்

Hodest Propos

Indicate Child

ENTER OF THE PERSON NAMED IN the state of the state of

TO STATE

A STATE OF THE STA

part part of the

The part of the second of the

personal to the second second

English Heart in the second of the second of

Control of Control

nd in the state

100 mm

to he have

一年 1875年 - 1

german and the state of the

year the Complete

September 1997 Street

the state of the

or the state of th

fam. Marine Committee Committee

Parameter Control of the State

paint Roll & retent Hally

Martin to the seat Non

Similar to the or I hope

military Kamalory

be bequitted

المراجعة ال المستخدمة المراجعة ا

The second

. ५५ व्यक्ति सर

trans.

11.55 \$445

JAVIO LED

OPINION/LETTERS

A Modest Proposal: Let's Eradicate Child Poverty

By E.J. Dionne Jr.

WASHINGTON — It is easy to ignore unpleasant facts, opportunism. There are not a lot of votes or political action commitespecially when they do not affect you personally. But occasionally, poverty issue. someone comes along with a bit of

to Everyone

क्षांकेसक्त्रीराजेन∵ ५०००

BHLICH TO ST

and with the bo

Markey Cores

the START - ...

Don service and

A software

article in a

Take the Same

ment Service bearing

gelegner a de la como

الداغة حمو يجالها

الالا وأأنف مهرين

B. A. A.

ر ئەر ئۇز**ۇنطىۋەيدى** س

let ber fan storier i

 $\cdots \rightarrow :: \cup_{i \in \mathcal{I}_i}$

A SHE BUT A SHOW

against the second seco

inconvenient news.
In a speech earlier this month to problems going unaddressed in America. One is child poverty.

Among Americane

Among Americans under the age of 18, one in five lives in poverty. Even if one factors in various forms of federal help, says Wendell Primus, director of income security at the Center on Budget and Policy Priorities, 16 percent of kids are still in poverty.

Talking about child poverty is not fashionable. If you do, you might be cast as a bleeding heart liberal, or, God forbid, a "compassionate conservative."

So here is a modest proposal. Since both parties want to show that the impeachment mess has not crippled their capacity to govern, and since both want to show how reasonable, bipartisan and cooperative they can be, they should undertake a joint venture. Congress and President Bill Clinton should atone for the viciousness of the last year by jointly leading a Campaign Against Child Poverty.

Neither side will get much political benefit out of doing so,

which is why they should do it. No one can accuse anyone of political

tee contributions in the child

And let's can ideological posturing and accept that there has been some "social learning" a group of Democrats in Virginia,
Bill Bradley, the presidential candidate and former senator from

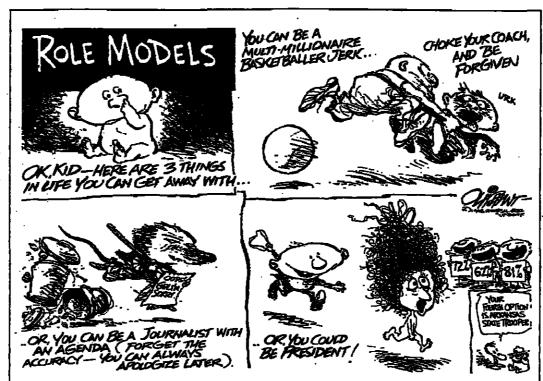
Daniel Moynihan, Democrat of

Daniel Moynihan, Democrat of New York, is fond. There is little argument now that the rise in the number of single-parent families from the 1960s until a few years ago aggravated poverty.

Despite heroic efforts by in-dividual parents, single-parent families, on the whole, are not good for kids. So a campaign against child poverty necessarily involves family policy.

And could we also stipulate that while government alone cannot solve this problem — the role of voluntary organizations, especially religious institutions, is vital — it will not be solved without government's commitment.

If the old arguments are given a rest, some practical measures become possible. One is for states to spend the money that the federal government is already offering them through welfare reform to help poor kids. They might put the money into better child care or after-school programs, or into helping the parents of poor kids get better jobs. Mr. Primus says that states are simply not using at come tax code, it should also ease least \$3 billion a year in federal



the poor, and the number might be as high as \$7 billion. Surely the states could do some good with that money.

We can ask if some of that big federal surplus might go into academic enrichment programs for poor kids, both before they go to school and after they get there. It is fair to reserve much of the surplus for Social Security and Medicare, two worthy programs. It is not so fair that kids are being left out as the surplus pie is cut.
With Congress likely to ease

the penalty as it affects families money that is available to them for who benefit from the Earned In-

the incomes of the working poor. Under current law, unmarried couples in which both parents receive the EITC benefit can see their joint income go down if they marry. That's anti-family. An interesting assortment of

come Tax Credit. The EITC lifts

politicians - Senator Phil Gramm, Republican of Texas, the Senate Democratic leader Tom Daschle of South Dakota, Representative Jim McDermott, Democrat of Washington, and Representative Richard Neal, Democrat of Massachusetts - has ideas on how to fix this. You have to like the sound of a Gramm-Daschle Pro-Family Child Poverty Act of 1999.

that it would be good for poor kids if we paid more attention to their fathers. It is not just a question of getting "deadbeat dads" to pay child support. It is also about making support payments possible by helping the poorest dads find jobs. Working fathers are far more likely to marry and care for their kids.

Finally, Mr. Primus suggests

No single step will magically eradicate child poverty. But after all the talk over the last year about how this terrible scandal "affected the children," it would be good if politicians in both parties gave some thought to those children who could most use their help.

The Washington Post

LETTERS TO THE EDITOR

After the Acquittal

President Bill Clinton may have obstructed justice, but Kenneth Starr has perverted it. I hope Attorney General Janet Reno does decide to investigate him and will prosecute the wrongdoings she is sure to find. The independent counsel law is certainly due for an overhaul, but I do not believe it needs to be trashed outright. But the man who has abused its power needs to be brought to justice.

What have we gained for our 12 months of agony, political grand-standing, self-righteous fingerpointing, soft-core porn on the ical, personal, and national em-

barrassment? The Starr affair has ended up damaging many of our cherished institutions.

I want this to be over as much as the next citizen, but not until justice is done. And justice, at this point, lies in investigating Mr. Starr and his crooked office and exposing their high crimes and REID BRAMBLETT.

Plymouth Meeting, Pennsylvania.

We can thank the Republicans and their friends on the religious right for trying to turn the United States into a fundamentalist counevening news, and massive polit-

deficit threefold. Mr. Clinton, who has erred privately, has brought the country a surplus. I will continue to vote for the person who will move my country ahead, regardless of how many women he has slept with. That is his wife's problem, not mine. MAUREEN MOLLERON.

President Bill Clinton's pledge

Paris.

to work hard to win back Democratic control of the House in 2000, singling out certain Republicans for defeat, "is the height of arrogance of power and amounts to a personal vendetta against the try. May I remind my countrymen House managers," according to lowed the presidency to be assailed that Ronald Reagan increased the Representative Chris Cannon, Re- at the instigation of a private law-

publican of Utah, one of the House managers. Horrors. A president wants to see his own party regain control of Congress and will work hard to achieve that goal.

AARON STERNFIELD. Morges, Switzerland.

Senator Richard Lugar of Indiana is quoted as saying that the important unanswered question arising from President Bill Clinton's acquittal is whether the president can still be trusted to lead on the global scene.

Unfortunately in this regard the United States has hoisted itself on its own petard. America has al-

suit, aided and abetted by the extraordinary powers of an independent prosecutor, and for this to lead to the partisan pursuit of the president over matters not threatening to the integrity of the state - in the face of overwhelming popular demand to desist. Who is to blame?

Can anyone say that the United States was imperiled by the president's relationship with Monica Lewinsky? Once again, America's international obligations have been clouded by domestic opportunism and shortsightedness. It is the wider world that must now suffer for this institutional immaturity.

ANDREW FARRAN.

Families Staying Together And Thriving Together

By William Raspberry

WASHINGTON — Are there under their belts — who spend as much as four months counseling good marriages produce strong families, successful children and nurturing communities? Or who disbelieve that failed marriages can lead to weak and economically stressed families, troubled children and shaky communities?

And yet as George Gallup Jr. noted the other day, marriage continues in decline. "If divorce were

MEANWHILE

a physical disease," he said, "we'd declare a national emergency." So what accounts for our laissez-faire attitude toward divorce? At least two things, I think. The first is that we have not learned how to talk about the problems resulting from too-easy divorce without implying that we would like to turn back the clock on

advances in women's rights. The second is our belief that divorce, like marriage, is such an intensely private matter that the wider society can do nothing about it.

That second notion, at least, is under challenge, thanks to a fledgling program sweeping America called Marriage Savers, which helps local churches organize to create a "community marriage policy" that includes intensive premarital training.

The results sound almost too good to believe. According to Mi-chael McManus, president and co-chair (with his wife Harriet) of Marriage Savers, the divorce rate in Modesto, California, which adopted the first community marriage policy, fell by 35 percent from 1986 to 1997 — while the national divorce rate was dropping by just 1.3 percent. In just two years of the program, the sub-urbs of Kansas City showed a decline from 1,530 divorces to 1,001 — 35 percent fewer.

Not all the numbers Mr. Mc-Manus cited last week were that dramatic. Eau Claire, Wisconsin, saw a drop from 366 divorces in 1996 to 341 in 1997 — just 6.9 percent - and Columbus, Georgia, reported a mere 5.7 percent drop in that same period.

The keystone of the Marriage Savers approach is the use of mentors — generally older couples from the congregation with perhaps 30 years of marriage

engaged couples on every aspect

of marriage.
"Except for the Catholic Church, which was the first to require six months of marriage preparation, and a few scattered congregations, when it comes to marriage, the church has pretty much just been a blessing machine," Mr. McManus said. "Couples tell the minister they'd like to be married in his church — maybe just because they'd like some nice pictures for the wedding album - and the minister gives them what I call a marriage chat, and that's it.'

Still, that compares with the national decline in the divorce rate of 1.3 percent over the dozen years. Unless the minister is in one of the 100 places where the Community Marriage Policy pact has been adopted — almost all of them small or midsize towns. In that case what the couple gets is a carefully crafted questionnaire. The parmers are sent to separate rooms and asked to answer questions dealing with everything from money decisions to the frequency with which the prospective spouse uses the "silent treatment." The scores are discussed in detail with spe-

cially trained mentoring couples. Often the exercise helps individuals to see their flaws more clearly — the tendency to nag, or to put "issues" ahead of the relationship. And about one-tenth of the time, the couple will decide they are not right for each other preventing a future divorce.

One recent innovation of Marriage Savers is to find mentors whose experiences match the peculiar needs of the engaged couple - for instance second-marriage couples might be assigned to couples who are remarrying after a divorce; couples who have been involved with stepchildren might counsel engaged couples facing the same prospect. The result can be better and more practical advice than a cleric or other trained generalist could offer.

The program does two things that I consider vital when it comes to helping marriages to work: It stresses the spiritual importance of commitment, and it offers timetested how-tos. As Harriet Mc-Manus put it: "Before you tie the knot, let us show you the ropes."

The Washington Post.

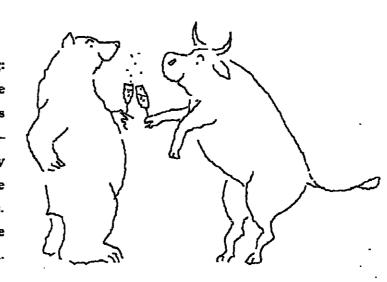
ERE IT IS - THE NEW NAME FOR TWO STRONG PARTNERS.

TOGETHER, WITH OUR COMMON STRENGTHS, WE'LL BE ABLE TO REACH

THE HIGHEST GOALS. WATCH OUT DAX, HERE COMES

Degussa-Hus

Specialty chemicals now have a new spelling: Degussa-Hüls AG. The company will have 46,000 employees and will start with sales of more than DM 20 billion. Degussa-Hūls – an attractive new international company with high growth potential based on the combined strengths of two established firms. Degussa-Hüls - the latest word for more expertise, more commitment, more innovation.



Main Leader Says

le lis Importance

parties bunkers norded above

the state of the s

designation familiary arm will

the state of the s

PAR STATE OF THE PARTY OF THE P

An the Part of the International

was the same of th

The second of the second

Sale Daris Carastria M

The live of the latest and the lates

is and the same while his value

of the state of the state of

go and and hand, allows

AND LOCAL TO BE AND ASSESSED.

The state of the s

market alta control traditional and the state of the stat

district Mix Investment Mansemi loudent a record that the desi

the design of the same and the Thinks in and and it s hard to

legal that appreciated to buy that

Attacher of trains The

him of Parker frame a fifth

ashmi, note all a 8111 mine

des amounted, Society Ciempale

pied were, rivering Furnday to

Ekn-Claude Frenchereau 1850.

part men leader at Sautete Com-

minimized typeters the unesta-

reserved about the first the reserved among from the trade in the first the

man — even as he gradgings.

hang to a shuttling that began in

Maria de la compania del compania de la compania del compania de la compania del compania del compania de la compania del c

SEE SULE

:18:200:00 CT ::: 11

An ma er er er freie bei er gene gemeine

In the second of the second

besters may not yet agree with hit? Statement and street, but with wind others and the us could make the While Daniel benton, channan Same Generale and Anthe Levy Be counterpart of Parities, may be Schemming to account the distante ful an desire bank branches, and at alling lobe, when they chose and over other potential partiers. Sampled hank would want an event-Rd sale in a Europe an market that day may and talk Leprent, chief banking

an a Moody Investors Service Enland and would have more a me advantage it is booth deand offensive he said of the between the two banks. he badding of French banks' stock he kesad, who a sign of their parameter target. The deal also the tach of the banks a chance to becomes for retail furancial serand he bringing together Societe Com start specialization in equition to

about in treel income section

be logic behind the merger, many

southed by the peculiarities of

Marion of the the parks

the mined to the private sector, the

grantipe production in the former

by man make the straight to whether

population the feature at Mile

page to training the training of the fifther and the fifther white francis as a second

prepared to the property with

116.15 150 24 81 32

le french record banking affigure

the later of the later later to the later of the later later to the later later later later of the later lat

1 1 0705 1 3284, 2

1375 0 6854 1 5975 131 82 14667 \$4

1384 03441 19217 N.Q. N.Q. D.1

the three to be a set of the second figures and the second figures and the second figures and the second figures and the second figures are second figures.

- 1.2105 C \$3.21.31.4

bed and mutual bank's that typically.

banking Societe Generale.

his nationalized after World in

Brounds markets

the merger increases their cloud on their cloud on

the swallows Iridescent fish with wings, Layers of life above the

Under, the trout. The trout, so stolid and

weighty in the poem that they bring all movement to a stop. are feelings in the novel that underlie everything, yet, like good trout, are difficult to catch. Thus does "While I Was Gone" celebrate what is impulsive in human nature fectionately. The narrative and at the same time lament what lies deep below the sur-

Early morning hand delivery available in key cities.

Special low cost 2-month trial subscription for just \$43. For more information call

1-800-882-2884

Kyle Eastwood: Going His Own Way

By Mike Zwerin International Herald Tribune

ARIS — If you listened to the album "From There to Here" was, you'd be surprised to learn that the bass player was the leader and that he was Clint Eastwood's son.

Although Kyle Eastwood says the name has disadvantages as well as advantages, the fact remains that it's not a bad name at all. What he means is it the other players. There is a modest balances out - good luck and good number of bass solos, and his walking is genes on one hand, questionable authenticity on the other.

Without the name it would have been a lot more difficult for him to reach, let Fordham and Diana King as well as alone persuade, such musicians as Billy Mitchell), a combo, and the big band Childs, Oscar Brashear, Plas Johnson (the saxophonist who played the Pink Pardon," featuring Mark Isham and Panther theme), the percussionist Peter David Sanchez, sounds like a Gil Erskine (Weather Report) and Joni Evans/Miles Davis collaboration. The Mitchell (singing Marvin Gaye's casting is intelligent, the style consist-'Trouble Man'') to record on his debut album. Remember though: Name or no name, people of such reputation and caliber would not lend their own names

to a faulty project. been easier and more lucrative to follow that career than learning how to play the

It's a high-risk job, a lot of responsibility and potential grief — there's a special circle in hell reserved for bad

If you are ambitious for fame or fortune, the odds are against you. People go

to the rest room during a bass solo. But there's a lot of pride involved. Bass players are aware, even if the average the lower register. One thing he likes They still jam together. power and that the musicians know it. for both rhythm and harmony. (Columbia) not knowing what it They play the only truly essential instrument in the band. Without a sturdy bass line, the center will not hold.

Eastwood is confident enough to lay back on his first record under his name. True to the nature of his function, he has been careful not to put himself in front of not ostentationsly mixed.

Presentation is varied — standards, originals, instrumentals, vocals (by Julia version of Tom Waits's "I Beg Your ent, the pattern obviously cut from one piece of cloth. It's more than a merely

respectable first record. He feels no pressure to prove anything to anyone. He speaks slowly, shyly, con-Playing the contrabass is far from the vincingly: "If I let it bother me every easiest way to capitalize on the name of time people asked me about my dad then a nabob film star father. As a child, Kyle I'd be bothered a lot. He's always been played a role in his father's movie my dad, always will be. All I can do is do 'Honkytonk Man,' and it would have the best I can and people either accept it been easier and more lucrative to follow or they don't. If they don't, there's not much I can do about that."

Jazz was always in the house. He and his parents listened to Charlie Parker records together. When his father was producing a jazz documentary called Straight No Chaser," they sat around for hours watching a stack of Thelonious

listener is not, that they have the real about the bass is that its role is essential

He started on the electric bass-guitar in Pebble Beach high school, near Carmel, California, of which his father was the mayor for a while. Once he learned basic tuning, scales and chords it became fairly easy for him. He learned R&B. Motown and reggae tunes by ear. He had friends who played jazz and they were always looking for a bass player. Everybody needs a bass player. They'd ask him if he knew this or that standard. If not, he figured it out quickly.

Growing up with Clint Eastwood, you meet interesting people. The young Kyle met Ray Brown, Ron Carter and Lennie Niehaus, who wrote the score for his father's movie "Bird." Niehaus introduced him to Buell Neidlinger, the virtuoso contrabassist who had worked with Omette Coleman and the Boston Symphony Orchestra. Kyle studied with Neidlinger (he had also learned from the hot French fusion bass-guitarist Bunny Brunel). Mostly, though, he figured

things out for himself.
When he switched to the contrabass. he began to practice all day long. It is both a mentally and physically difficult instrument. Whole days would go by and he wouldn't leave the house. He practiced bowing, improved his intonation. learned the repertoire, got more comfortable with improvising.

His father likes to play Fats Waller tunes and boogie woogie on the piano. He has a good left hand and he showed his son how it worked. Maybe that had Monk videotapes. Quality time. The something to do with Kyle's original usually O.K."

Starting off his career, Kyle moved down to Los Angeles for eight years. He got the opportunity to play with Jack Sheldon, Mundell Lowe, Teddy Edwards and Clark Terry. But time began to be on his hands there, and he moved to New York City.

He says he likes the "craziness" in New York. There was more of an opportunity to play there and "along with my family, playing music is the only thing that is important to me." He lives in TriBeCa with his wife, the Spanish actress Laura Gomez, and their 5-yearold daughter, Graylen.

Since the album was released last auturnn, his quintet has worked fairly steadily. Leading a working band means that the music has the opportunity to evolve. It has come together in only a few months. A monthlong European tour in April will include France, Britain, the Netherlands, Austria, Spain and the Czech Republic. It's his band: He hires the guys, directs the rehearsals, picks the tunes, accepts the gigs. All in all, he says with a grin, it's a fairly democratic" group.

S FAR as the future is concerned, he is sure of one thing - he wants to continue making music one way or another. Along the line, he'd like to learn arranging. He feels at home being part of the expanded family of musicians.

"The musicians have been pretty accepting. When they first hear the last name they get a weird look sometimes. Once they hear me play, though, it's



The bass caught Kyle Eastwood's ear early on.

Manga Live! Japanese Director Puts the Tarantino Touch to Film

his trigger finger

during the inter-

view, he doodles

while the inter-

preter translates.

coast of Honshu

and grew up in

ted reading com-

He was born

By Joan Dupont

OTTERDAM — The Rotter- movie. dam Film Festival, preparing a seemed a logical celebration of Japanese cinema step since Ishii for the year 2000, served up a himself has dipreview this year with a slew of films, rected 80 commany by directors who seem to spe-cialize in crime and porn. Or, like Katsuhito Ishii, in tongue-and-cheek spoofs makes a striking on crime and porn.

Ishii, 32, comes from the world of the movie as Sharkmanga, or comic book. His first film, "Sharkskin Man and Peach-Hip Girl," is based on a series by Minetaro Moch- the briefs, on the izuki, played by stars dressed in what's run from gangknown as hyper fashion gear.

This is the new look of the classic covering stolen

vakuza genre, the live cartoon. "I am trying to put a twist to the an unconscious genre," explains Ishii, who has been beauty whose called the Tarantino of the Eastern car has collided World, which doesn't displease him. with the Toyota His hi-tech feature is a far cry from of the pursuing Takeshi Kitano's existential gangster baddies. The A poster for "Sharkskin Man." films, but, he claims Kitano as an in-

of the movie. I wanted to show a type who is closer to us, less of a legend,"

He wrote the script, drew the storyboard, directed and edited; he also took charge of the props, the music (written and performed by Dr. Strangelove) and most of the costume design. "I designed a lot of the costumes myself so that the movie becomes a sort of fantasy. I gave the actors costumes that aren't typically Japanese, so that even though they are Japanese, they lose their specificity and

The hero, played by the popular Tadanobu Asano, wears a snappy black Kikuchi, who did his complete wardrobe, down to the "TK" initialed underwear. Asano had done a television spot for Kikuchi's line, directed by Wong Kar-Wai of Hong Kong; he per-

signer to follow mercials.

entrance in the stripped down to

sters bent on reloot. He kidnans chase swings

killer kids. The hero, who is just as much

tiful peach-hip girl. Ishii is not really sure what "peach hip" means. "She has, you know, hips like peaches?

"The fashion look was very important to the movie; the original manga ing and making a feature. When I got wasn't as fashion minded. I wanted to into shooting commercials, people told give the movie a unique visual quality I me what to do, and, again, I tended to try achieve in commercials. A lot of people something different. get killed, there's lots of blood and I didn't want to depict this realistically. In the original, the hero is very strong. but my Sharkskin Man has soft spots. sharkskin suit by the designer Takeo he's naive. I wanted him to be like anybody, not a macho hero. And I invented some other characters to contrast

with him.'



between dark woods and a weirdo Nor- By high school, he was drawing his own "In normal yakuza movies, you'll see man Bates-style hotel; there are hit men manga, and at Musashino Art Univeractors moving around the central theme and hit women, mafia brats and cool sity, he was influenced by Andy Warhol "and religious paintings, like Raphael's. a thug as anybody else, gets to don the I think you can see both of these ele-famous sharkskin suit and win the beauments in my movie.

"Comics was one side of what I always did, and later. I was in a band too. When you make commercials and shorts you draw a storyboard and I could see the connection between what I was do-

You know how it is, my parents forbade me to read them, so wanted to do. I

ing characters at By Sue Miller. 266 pages. \$24. Alfred A. Knopf.

He enjoyed the casting process for Sharkskin Man. "It's very different from working on a commercial where the sponsors decided; this time I could decide." He cast the melancholy looking Susumu Terashima — a regular in Kitano's films, from "Violent Cop" to "Hana-Bi"—as one of the less crazed
The director's own fashion look is of gangsters. "It's the way he looks that got the dark glasses and sweatpants variety. me. It's hard to figure out what 'Hana-

was very young.

"Fun." he nods. "It's not the message that interests me." He barely flickers at the names Yasujiro Ozu and Kenji Mizoguchi, filmmakers known for their restrained camera movement, artistic composition and ic books when I lighting. "I am 32 years old and my generation didn't grow up with movies in theaters; we watched cartoons on TV. So I've hardly looked at any of that oldhat cinema." He likes Akira Kurosawa,

in our own way."

Kitano, in his latest films, seems to

back away from violence, finding ob-

say. Does Ishii, too, aim to use the genre

as a way of saying something about

Bi' is trying to say. We interpret it each the man who tackled all genres, "because he's exciting — his films move, there's always something to look at."

The comic-book world has spawned lique ways of expressing what he has to more than one generation of filmmakers. Ishii, "and one of my favorite movies in the genre is 'Ghost in the Shell.'" Japanese society today, or to have fun? Okiura Hiroyuki, the key animator on many, but I've seen most of the big "Ghost in the Shell," of 1995, just made his own first film, "Jin-Roh," a thriller Right after Rotterdam, "Sharkskin pitting the police against urban guer-

rillas and suicide bombers. Takashi Ishii, born in 1946, who made his debut as a cartoonist, could be considered a godfather of the genre. His "Black Angel, Volume 2," which premiered here, has more than a tinge of film noir eroticism: The "Black Angel"

heroine is out to trap a crime boss: the plot abounds in stalkings, shoot-outs, abduction and rape.

As you can see from my movie, my influences are Tarantino. Paul Verho-"The manga started in the '30s," says even's 'Starship Troopers,' Kitano of course, Japanese cartoons and the old American movies - I haven't seen that

Right after Rotterdam, "Sharkskin Man and Peach-Hip Girl" was set to open in Tokyo. "We've done tests and they look good. The audience is not supposed to take the characters or antics too seriously. Seeing the movie should be something like reading a violent and funny manga. I hope the public has a

BOOKS

WHILE I WAS GONE

Reviewed by Christopher

Lehmann-Haupt TT SEEMS we need someone to know us as we are --

with all we have done --- and forgive us," muses Jo Becker, the narrator, near the end of Sue Miller's riveting new novel. Jo continues: need to tell. We need to be whole in someone's sight: Know this about me, and yet love me. Please." Jo realizes that her wish is

hopelessly idealistic. "But it's so much to ask of other people!" she concludes. "Too much." You cannot confide an infidelity to your husband and ask him to go on loving you in the same way. You cannot confess a crime that affects the listener and

expect no consequences. Yet Jo has glimpsed the promised land of intimate revelation. She once confessed to her present husband, Daniel, a minister, that she was tempted to have an affair; he responded by helping her to surmount ing from a loveless marriage, her feelings. And she has Jo found the experience an

shriek comes: Don't you get You need to understand and accept being hated. I think this is one of the greatest gifts Eli and his wife have reis one of the greatest gifts

children can give you, as long as it doesn't last." So wholeness in someone's sight is at least fleetingly pos-sible, Jo believes. In "While I Was Gone," Miller tests its consequences under several conditions. By doing so, she has once again taken a morally extreme position and made it seem both plausible and questionable, as she has done often

in her previous fiction. In "While I Was Gone," Jo Becker is a happily married veterinarian who suddenly feels that life is somehow passing her by. When Eli Mayhew, a distinguished biochemist, shows up from her past and asks her to treat his crippled dog, she remembers the time in the late 1960s when the two of them happened to be living in the same small commune in Cambridge, Massachuseus, Hid-

learned in dealing with her ecstatically happy one — But most impressive is the three daughters "that you walking home from the bar complex portrait of the proneed not collapse when the where she worked, "I sometimes broke into a run, I was so story depends on Jo's seeming it? I hate you!" She explains: eager just to be there" -- even though, unknown to her, for

> cently moved to the western Massachusetts village where Jo and her husband live, With his reappearance, Jo finds herself recalling the commune and its "horrible" ending, when another member, a woman whose affection had taught Jo "how to love with enough recklessness and generosity to make it real," had been murdered in what the police concluded was "a robbery gone bad."

Aroused by Eli's presence, Jo develops what she calls a crush if you could call something so psychologically distorted by such a playful name." But the crush is on herself. As she explains: "The middle-aged Eli contained for me, of course, his vouthful self, yes. But he contained me also. The self that had known him then. Myselfwhen-young. And that was what made him attractive to me." So she gingerly edges herself toward an affair.

Miller does many things well in this novel. She shows a deep respect for all her char-acters. You experience the pleasure of the commune's members at the same time that you understand the contempt in which they are held by the police, their community and the relatives of the The scenes are emotionally

textured, particularly those with Jo's children or the animals she looks after so afpacing is masterly, building tension even in its most psy-face flickering darkly. chologically subtle passages.

But most impressive is the tagonist that Miller draws. The slightly elusive to everyone close to her. In fact, she lies about her identity to the mem-

bers of the commune. And yet to the reader she remains almost entirely sympathetic. The reason for her elusiveness is a feeling she herself can never quite put her finger on, a feeling that goes back to her childhood when she first ran away from home over some trivial incident but was left with a sense of shame that "felt deep and permanent, a stain I would wear forever, an agony I was condemned to wake to over and over, a final isolation I'd brought on myself by turning in the wrong direction, head-

ing the wrong way, when I was confused and wounded. Her problem, of course, is that she has no one to whom she can disclose herself completely. Part of her is permanently "gone." The epigraph comprises

lines of a poem by Miller's mother, Judith Beach Nichols (1919-1979), that nicely sum up the story's themes. Cedar waxwings dart among

Excavating Rossini's 'Zelmira'

By David Stevens International Herald Techane

ARIS — The fate of Rossini's operas has been a strange one, with a decline that began during his long retirement from writing for the theater and continued to the middle of this century, at which point it sometimes seemed as if "The Barber of Seville" was his only contribution to posterity.

At age 31, when he left Italy for Paris, he was Europe's most celebrated opera composer. A few years later he more or less invented French Grand Opera with "Guillaume Tell" then, exhausted, retired and left the field to Meyerbeer and others. Neglect set in quickly. A few years later, told that the Paris Opera was performing Act 2 of "Tell," the composer quipped, "What? All of it?"

He might be agreeably surprised to know that in the last 50 years or so extensive excavations have taken place, fueled by the Rossini Foundation and its numerous critical editions, seconded by the actual productions of the annual festival in his native Pesaro.

The most important focus of this musical archaeology has been on the period 1815-22, during which Rossial Naples, where he also served as musical and artistic director. In his spare time he also pumped out works for sically and technically in the title role Rome, Milan and elsewhere — the comic "Il Barbiere," "La Cenerentola" and the semiseria "La Gazza

But the Neapolitan operas are important because in them Rossini turned voiced IIo, the heroine's confused orchestra.

his back on the 18th century and laid the groundwork for Italian romantic opera, and Bellini, Donizetti and Verdi also benefited from his intermittent activity as an impresario in Paris. His opera seria output for Naples

with "Elisabetta, Regina d'Inghilterra" and included two works — "Mose in Egitto" and "Maometto II" — that he extensively rewrote for the Paris Opera. Several of them have so although his "Otello" will probably Naples premiere. never emerge from the near oblivion inflicted by Verdi's version - a fate similar to what befell Paisiello's fine "Barber of Seville" when Rossini's

comic masterpiece made it obsolete. "Zelmira," the last of the nine Neapolitan operas, has just made its first appearance in Paris in about 175 years. in a strongly cast production that came to the Theatre des Champs-Elysees from the Pesaro festival via the Lyon Opera.

Its strength is in the music, short on conventional arias and long on ensembles and choral underpinning, with the second-act quinter an absolute winner. Its weakness is a feeble libretto, based on an 18th-century French play - something about a pseudo-historical power struggle on the island of produced nine serious operas for Lesbos, replete with skullduggery and sudden changes of fortune. Mariella Devia was impressive mu-

Rossini wrote for his future wife, Isa-

bella Colbran. The composer also had

two major tenors in Naples, and their

roles were superbly handled here. Paul

spouse, and the darker-voiced Charles Workman sang and acted with acro-batic zest as the villainous Antenore. Sonia Ganassi brought a rich contralto to the role of Zelmira's confidant.

Maurizio Benini and the Lyon Opera orchestra were amply supportive in the pit, while meeting the score's virtuoso requirements. But Yannis Kokkos's staging was mostly period routine and his ponderous neoclassical designs enjoyed revivals in the last 25 years or might have been just the thing for the

With its final orchestra concert, Radio France's Presences 99 festival was rewarded with a crowd pleaser in the world premiere of the Violin Concerto by the French composer Bernard Ca-

The first of the two movements violently opposes the orchestral mass and the relentlessly busy violin, while the second eases the conflict, ending with an ethereal, Berg-like exit for the soloist. Traditional enough, yet also with a personal voice that invites more

performances. Noemi Schindler, for whom the concerto was written, was the brilliantly energetic soloist, and Radio France's Orchestre Philharmonique was under Dominique My's assured direction.

The concert began with an unmystifying, almost traditional message from a youngish John Cage, music for a "Seasons" dance by Merce Cunningham in 1947, and closed with "Extenso," the second of Pascal Dusapin's dense and tightly organized "solos for

BEST SELLERS

The New York Times
This list is based on reports from more
an 2,000 bookstores throughout the
laited States. Weeks on the list are not 3 BLIND MAN'S BLUFF, by Sheny Sontag and Christopher Draw with Americ Lawrence Drew 4 THE CENTURY, by Peter Jennines and Todd Jennings and Tooki Brewster 5 PLAYING FOR KEEPS. FICTION by David Halberstam
6 THE ART OF
HAPPINESS, by the Dalai
Lama and Howard C. 1 SOUTHERN CROSS, by Patricia Controll 2 IN DANGER'S PATH, by ONLINE PROFESSOR AND THE MADMAN. by W.E.B. Griffin 3 SEIZE THE NIGHT. by Dean Kooniz 4 A MAN IN FULL by Tom Wolfe 4 1
SBILLY STRAIGHT. by Jonathan Kelkerman 5
HARRY POTTER AND THE SORCERER'S STONE by J. K. Rowling 8
7 THE POISONWOOD Burban Burban 8 CONVERSATIONS
WITH GOD: Book I. by
Neale Donald Walsch
9 THE ENDURANCE, by Caroline Alexander 16 CONVERSATIONS BIBLE by Barbon Kingsolver 8 THE CAT WHO SAW STARS, by Lilian Jackson Braum
9 AMSTERDAM, by lan
McEwan
10 ANGELS FLIGHT. by 10 ANGELS FLIGHT. by
Mivhael Connelly 9 5
11 THE SIMPLE TRUTH, by
David Baldacri 11
12 WHEN THE WIND
BLOWS, by Jerses Presson 10
13 A NIGHT WITHOUT
ARMOR by Jewel
Kilcher 15
19
14 BAG OF BONES, by
Seenbea King 18 Stephen King 15 RAINBOW SIX, by Tom

NONFICTION

1 THE GREATEST GEN-

Broken 2 TUESDAYS

WITH GOD: Book 3. by Neale Donald Walsch WHY NOT ME?. by Al Frances

12 A WALK IN THE WOODS, by Bill Bryson

13 THE DEATH OF OUTRAGE, by William I. . Benneti 14 CARELESS LOVE, by IS ANGELA'S ASHES. by ADVICE, BOW-TO AND MISCELLANEOUS I LIFE STRATEGIES, by Phillip C. McGraw
2 HOW TO GET WHAT YOU WANT AND WANT
WHAT YOU HAVE, by
John Gray
S SUGGER BUSTERSL: by
H. Leighton Steward et al. 3 H. Leighton Steward et al. 4 9 STEPS TO FINANCIAL FREEDOM, by Suze Orman

Do You LIVE IN THE U.S.A.?

Herald Eribune THE WURLD'S GALLY NEWSPAPER

To France's **Bank Deal**

But Union Leader Says They Miss Its Importance

> By John Tagliabue New York Times Service

PARIS — Investors cheered only halfheartedly this month when Societe Generale SA announced it was paying \$18 billion for Paribas SA. What French banking needed above

all, they argued, was to bring down costs by thinning out a dense network of branches, but these two banks had few that overlapped. And while the acquisition brought together Societe Generale's investment banking arm with Paribas, which has focused on that business in recent years, it failed to create a player in the top tier of investment banks. With little overlapping business of any kind between the two banks, they complained, little room for cost-cutting presented itself in their combination.

One analyst, David Grinsztajn of Merrill Lynch in Paris, said his valu-ation of Societe Generale, France's second-largest commercial bank, alone was equal to the value he placed on the combination of the two. "It's above all a tactical move; it has no strong industrial logic," he said of the deal.

THE COURT FOR THE

Marcus Smith, an analyst of Euro-pean banking for MFS Investment Management in London, agreed that the deal had not created new value,

"It is a question where one and one equals three," he said, "and it's hard to

Investors have appeared to buy that argument. At the close of trading Tuesday, shares of Paribas, France's fifthlargest bank, were still at 83.15 euros (\$93.39), roughly their level before the deal was announced; Societe Generale has fared worse, closing Tuesday at 135.90 euros, down from 153 at the time

But Jean-Claude Branchereau says investors may have missed the point. He is a trade union leader at Societe Gencrale, and his attitude typifies the unease of employees who say the accord speeds a movement among French banks, barely visible before now, that could lead to greater job losses and increased insecurity — even as he gradgingly admits that the changes may assure the banks' survival in an increasingly com-

Pointing to a shuffling that began in 1996, when Credit Agricole paid \$2.3 billion to acquire Banque Indosuez, Mr. Branchereau said, "That was the first step; this is an acceleration."

The Socialist government of Prime Minister Lionel Jospin plans to sell its stake in Credit Lyonnais this year, and suitors are lining up. This week, Lucien Douroux, chairman of Credit Agricole, said he would be among those bidding for a stake.

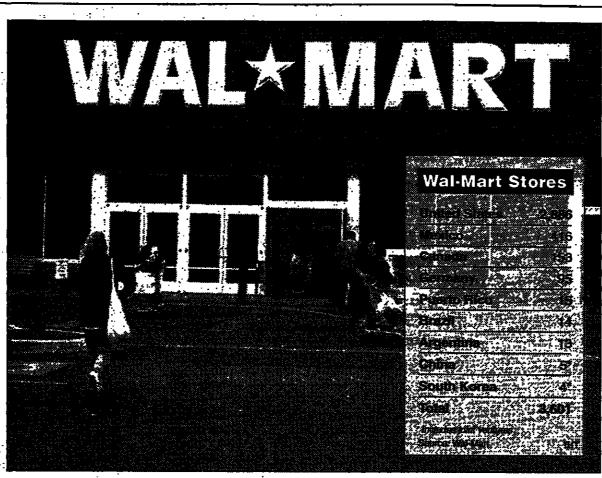
Investors may not yet agree with Mr. analysts and others say he is onto something: While Daniel Bouton, chairman of Societe Generale, and Andre Levy-Lang, his counterpart at Paribas, may have been trying to avoid the distasteful task of closing bank branches, and hence cutting jobs, when they chose each other over other potential partners, the combined bank would gain an economy of scale in a European market that

is rapidly unifying.

Jean-Luc Lepreux, analyst at Moody's Investors Service Inc. in Paris, said size would have more than one advantage. "It is both de-fensive and offensive," he said of the alliance between the two banks.

The volatility of French banks' stock prices, he said, was a sign of their po-tential as takeover targets. The deal also affords each of the banks a chance to increase outlets for retail financial services. And by bringing together Societe Generale's specialization in equities and Paribas's in fixed-income securities, the merger increases their clout on the increasingly liquid euro-denomin-

The logic behind the merger, many say, is dictated by the peculiarities of French banking. Society Generale, which was nationalized after World War II, was one of the first French banks to be returned to the private sector, in 1996, and it has been returned to assert 1986, and it has had to struggle to assert itself in a market distorted by stateowned and mutual banks that typically gained market share while paying scant attention to returns. The result was distaste for French retail banking among private French and foreign banks alike.



Wal-Mart Thinks Big in U.S. Northeast

New Superstore Push Is Expected to Usher In 'Killer' Competition

New York Times Service

NEW YORK — When Wal-Mart Stores Inc. — the world's biggest retailer — in 1990 proposed building its first outlet in Vermont, in the village of Williston, it started a fight that quickly

turned ugly.
The Burlington Blue-chip stocks rose in New York, helped by an unexpectedly strong 21 percent rise in fourth-quarter earnings at Wal-Mart. Page 12. Free Press ominously editorial-

ized about the "New Jerseyification" of the scenic vacation town of 6,000 residents. The National Trust for Historic reservation declared the entire state of Vermont and its little white-steepled towns "endangered" by suburban sprawl.

It took seven years of expensive battling before the store finally opened. During that time, Wal-Mart's effort to open store in nearby St. Albans also was blocked by the Vermont Environmental Board.

Today, however, Wal-Mart is no longer treated as an invader. The company opened its fourth outlet in Vermont

last month. Despite complaints from preservationists and environmental groups, the entire process — from filing a permit to greeting the first customers — took little more Wal-Mart's quiet little victory in Vermont has been

echoed throughout the U.S. Northeast, where the retailer has lately been mounting an aggressive expansion drive

with little of the uproar that accompanied its rocky start earlier in the decade The success may also send a message to Wal-Mart's

competitors and potential competitors in markets outside the United States, where it has opened 715 stores as it mounts a price-cutting expansion campaign in Europe, Asia, Mexico and Canada.

What is particularly significant about the latest Northeast push is that most of the new stores are supercenters.

See WAL-MART, Page 12

Japan Reverses Course And Buys Bonds Again

But Bid to Curb Rates Leaves Market Wary

TOKYO — The Finance Ministry said Tuesday it would resume buying government bonds after a two-month hiatus, a policy reversal intended to curb a surge in long-term interest rates that could prolong the country's recession.

Japanese bond markets have been

racked in recent weeks by the darkening specter of the government's financial troubles — bank bailouts, expensive stimulus packages, emergency loans, budget deficits and a ballooning debt burden. Investors accordingly have been dumping bonds, and Japanese politicians have been watching with frepidation as rates on long-term Japanese bonds have tripled.

The Finance Ministry, the biggest buyer of government bonds last year, said it would buy 400 billion yen (\$3.46 billion) in bonds from the market before the country's fiscal year ends March 31. It also said it would reduce sales of benchmark 10-year bonds next month by 400 billion yen and instead sell an additional 400 billion yen of two-year notes and six-year bonds.

The unexpected move, announced by Finance Minister Kiichi Miyazawa and applauded by the Bank of Japan, came days after the central bank warned that it would not increase its government bond purchases. The moves raised concern among investors that the government lacked consistency as it tried to halt the rise of interest rates, which have tripled since Oct. 7.

"This proves government officials don't know what they're doing," said Hiroshi Sakuma, a manager in the securities investment planning department at Dai-Ichi Mutual Life Insurance Co. "They don't have any basic policy, and we can't trust them. What they say changes a lot."

The announcement buoyed bonds, with the yield on the benchmark 10-year bond sinking to 1.985 percent, its lowest close since Jan. 29. The yield hit an 18-month high of 2.44 percent Feb. 3, up from a record low of 0.695 percent Oct. 7.

The ministry's Trust Fund Bureau, which manages money from the nation's postal savings system and public pension funds, stopped buying govern-ment bonds Jan. 1 because it needed the money to finance government spending to lift the economy out of its deepest

recession since the end of World War II. The bureau last year absorbed a third of the gross issuance of government bonds, according to J. P. Morgan & Co.

The ministry's withdrawal from the market exacerbated the fall in bond prices that began in October amid concern about an increase in government bond sales to finance economic stimulus measures. The government plans to sell 71 trillion yen in debt during the year beginning April 1, up 23 percent from the current year.

A senior Finance Ministry official said the bureau may continue to buy bonds in the new fiscal year, depending on market conditions.

The government will do anything it can to curb rising interest rates," said Yoshiichi Taguchi, a portfolio manager at Tokio Marine Asset Management Co., which oversees 900 billion yen in

The Bank of Japan's governor, Masaru Hayami, said he welcomed the Finance Ministry's action. He added that the yen's fall would help activate an economy that the government said Tuesday remained in a "very severe situation" because of high unemploy-ment, falling wages and cuts in corporate spending.

In two reports on the economy, the government noted only faint glimmers of improvement

The Bank of Japan said in its latest monthly report, "the tempo of worsening in economic conditions is slowing," omitting the word "gradually" from the phrase in its January report that said, the tempo of worsening in economic conditions is gradually slowing."

The Economic Planning Agency repeated in its economic report for February that Japan's economy was in a prolonged slump and that the situation was severe. But the agency said economic data indicating mild improvement and data implying further deterioration were mixed

Against that backdrop, analysts said the move Tuesday to buy bonds was not enough to ease their worries.

"It's a token gesture in the face of political demand," said William Camp-bell, fixed income analyst at J. P. Morgan in Tokyo. "But we don't see much impact on the economy. (NYT, Bloomberg, Bridge News)

EU Warns Bonn and Paris Over Their Budget Plans

By John Schmid

FRANKFURT — The European Union's executive body warned Germany and France on Tuesday that their budgets lacked "safety margins" to preven deficient from allowing into violations of the icits from slipping into violations of the fiscal standards for Europe's common

Only weeks after the January introduction of the euro, the European Com-mission's criticism of the two biggest economies in the euro bloc is another sign of worry over spending laxity. The euro has slid from about \$1.18 in its first days of trading to around \$1.12 now, and omists say this is partly because of fears that governments will call for looser budgets to offset slowing economies.

The EU's warnings are at the heart of a conflict between some of Europe's most powerful politicians and the European Central Bank, which is eager to defend its own political autonomy to defend the value of the euro. Finance Minister Os-kar Lafontaine of Germany last week took the musual step of threatening to increase public spending if the European Central Bank did not lower interest rates to stimulate the economy.

The ECB, meanwhile, has warned that "a relaxation of fiscal policies" would create an inflationary risk. While all 11 euro nations meet fiscal

standards, the EU monetary affairs commissioner, Yves-Thibault de Silguy, warned that "in some cases the programs lack ambition.

The commission singled out Germany's budget plans from 1998-2002 as "minimal" and said they must be "accompanied by reforms of the labor market." Turning to France, the commission said the French budget "offers no safety margin to accommodate the financial consequences of new policy measures or

The European Central Bank on Tuesday rebutted the political clamor for lower interest rates with the argument that its already "very low" lending rates were

supportive of growth and employment. The central bank's monthly report for February reflects its view that Europe cannot blame borrowing rates for its inability to create jobs or stimulate growth. The ECB is known to be concerned that Europe's leaders are shunning the sort of labor-market and welfare reforms intended to modernize the economies on the Continent.

The bank's latest report adhered to its familiar assessment of Europe's economy, depriving politicians of signs of imminent loosening of credit terms.

The ECB report appeared before the bank's governing council meeting Thursday, a meeting Mr. Lafontaine will attend for the first time. Mr. Lafontaine ranks as the most vocal politician to call for easier credit to stimulate the economy.

The mere presence of Mr. Lafontaine on the 36th-floor boardroom of Frankfurt's Eurotower is expected to be enough of a reason for the ECB to leave its main interest rate unchanged at 3 percent, economists said. The politically autonomous bank assiduously wants to avoid any impression that it will buckle to outside pressure, they said. "With Lafontaine in attendance, that

would almost certainly guarantee no change in monetary policy," said Rich-ard Ried, chief economist in London at the Donaldson, Lufkin & Jenrette inment house

As president of the European Union's council of finance ministers, Mr. Lafontaine has the right to attend the regular ECB board meetings and address the council, although he cannot vote. Mr. de Silgny will also attend the meeting.
With the euro weakening against the

See ECB, Page 13

Global Private Banking

Wherever you go, wherever YOU MAY BE, YOU'LL FIND THAT REPUBLIC SPEAKS YOUR LANGUAGE.



Our multilingual account officers are at your service in some three-dozen financial centres around the world. And though they speak many different languages, all are committed to one fundamental principle: to protect our clients capital as we safeguard its purchasing power.

It is a simple principle upon which we base our brand of financial conservatism: private

banking built upon rigor, discipline and prudence. This sophisticated conservatism, vigorously pursued, has created a global private bank of exceptional stability, capable of weathering the roughest storms.

Indeed, Republic's capitalization ratio, on a risk adjusted basis, is twice as great as that required by the world's international banking regulators. To our way of thinking, it is security as well

as return that we must ensure each day. And in the process, to provide a unique quality of service, understanding and discretion.



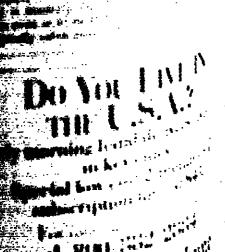
CURRENCY RATES

Cross Rat	tes						Fe	b. 16
	2	2		Yen				
Landon (e) New York (b) Tologo		1.63420	17.4258 17.7258	118.645	77 93	17.56	N.Q.	14.73
Teronie Zwich	1,4953 1,4289	2,4429 2,3339	1,0482	1.2594	0.9531	21.4938	0.4961	0.1902
One spr One SDR	1.1176 1.3784	0.6854 0,8447	1.5975 1.9717	137.82 N.Q.	1.6807 N.Q.	7.4347 9.1678	322.40 N.Q.	8.853 10.91

Argent, peso 0.9999 Peng, toriet 221.76 N. Zentend \$ 1.8315 Slov. Instrume Analysism 5 1.5376 Indian tripes 42.45 Nerse, kryes 7.708 S. Afric. read Resellien reed 1.92 India. repink 2550.0 Pelist. repo 45.75 Excell sink. 4.0535 Phil. peso 45.54 Excell sink. 4.0535 Phil. peso 43.55 Thrism 5 3.78 The beht Carech foreign 3.058 Lehen. pecond 1508.0 Resident roble 22.79 Terrisis Err Engrip. peeud 3.408 Meng, rhog. 3.80 South right 3.753 UAE diffusm 4.000 report 1.689 Venzz, bellv.

Republic National Bank of New York Strength. Security. Service.

© Republic National Bank of New York, 1998



Investor's America SOND Exchange The Dow 2.8 9207308 927430 40.24 1241.66 120.14 70.05 S&P-100 618.71 616.14 +0.58 NYSE Composite 586.73 581.46 Nesdeig Composite 2313.93 2321.94 4 0.34 TSE Index \$185.50 1 644758 ... C.95 fo Boseson ndeo City .. Egisa 4159.04 4003.60 and at 396.30 390.00 40.08 3784.64: /3768;17 ::+0.57 Santiago : IPSA General Capital General Closes 4098.12 - "

Very briefly:

• Levi Strauss & Co. said net sales in its financial year ended Nov. 29 dropped 13 percent, to \$6.0 billion, due in large part to soft sales of its flagship Levi's brand jeans. The privately held apparel maker does not report earnings.

• Deere & Co., the largest North American maker of farm equipment, said weak demand linked to depressed grain prices cut earnings in its first quarter, which ended Jan. 31, by 75 percent from a year earlier, to \$50 million, as worldwide sales fell 14 percent, to \$2.46 billion.

• Campbell Soup Co.'s second-quarter profit fell 25 percent, to \$219 million, from a year earlier after it halted a promotion for retailers, resulting in an 8.9 percent drop in sales, to \$1.83

• Havas SA, France's biggest publisher, confirmed a report in two years — an expansion that the French business daily La Tribune of its interest in the U.S. could draw \$3 billion more in ancomputer-magazine publisher CMP Media Inc., which has hired Lazard Freres & Co. to explore a possible sale or merger. But Havas said it had not decided whether it would

device that makes Internet access as much as 125 times as fast as existing telecommunications networks -- for \$125 million

 Chart Industries Inc., a maker of industrial cooling equipment, agreed to buy closely held MVE Holdings Inc. for about \$240 million in cash and assumed debt to expand its

 GlobeGround, the airport ground-service unit of Deutsche Lufthansa AG, agreed to purchase Hudson General Corp. Sakakibara and Haruhiko Kuroda — and the for \$76 a share, or about \$134 million, apparently prevailing governor of the Bank of Japan, Masaru Hayami, over Ogden Corp., Ranger Aerospace Corp. and a group led by Hudson's managers in a four-way bidding war for the company, which handles baggage, fueling and de-icing at airports across the United States and Canada.

NYSE

Nosdag

AMEX

Wal-Mart's Earnings Help Power a Rise in Blue-Chip Stocks

NEW YORK - Blue-chip stocks with \$117.96 billion. rose Tuesday, helped by strong earnings from Wal-Mart Stores, the world's largest retailer.

Wal-Mart's fourth-quarter earnings rose a better-than-expected 21 percent from a year earlier as the company continued to attract shoppers with its prices and selection of goods.

lion in its fourth quarter, which ended Jan. 31, compared with \$1.29 billion a year earlier. Sales rose to \$40.79 billion in the quarter from \$35.39 million. Sales at stores open use to measure performance, rose 8.7 percent.

earned \$4.43 billion, or \$1.98 a of Frederic E. Russell Investment share, compared with \$3.53 billion, Co. in Tulsa, Oklahoma, which

were \$137.60 billion, compared

rose 31/4 to 871/2 on the New York according to First Call. Stock Exchange, helping the Dow Jones industrial average move up ternet service provider, was an ex-22.14 points, or 0.24 percent, to ception, rising 13 9/16 to 49 on its 9,297.03. The Dow was up more than 100 points early in the day.

The broader Standard & Poor's Wal-Mart said it earned \$1.56 bil- 500-stock index finished 11.73 points higher at 1,241.86, but the ded in 1984, was one of the first Nasdaq composite index fell 7.96 points to 2,3 (3.93. Declining Internet stocks pulled

the Nasdaq down from its earlier at least a year, a gauge that retailers highs. Yahoo!, Lycos and Amazon.com all fell sharply. Not every tech company can be

For the full year, Wal-Mart a Microsoft," said Frederic Russell or \$1.56 a share, a year earlier. Sales oversees \$80 million in assets.

"Some will be pushed out, and ith \$117.96 billion. these price/earnings multiples must.
Wal-Mart's results exceeded Wall be adjusted." Yahoo! trades at 368 Street analysts' estimates. Its stock times its estimated 1999 earnings,

Prodigy Communications, an In-

U.S. STOCKS

third day of trading. Prodigy, founprivate on-line services.

Dell Computer was the most active stock in U.S. trading, falling 11/8 to 88% after a 12-point drop Friday on concern its sales were slowing. Dell was to report earnings after the market closed

computer maker, fell 3 3/16 to 731/4 in

quarter," said analyst John Jones of Salomon Smith Barney, who rates Hewlett-Packard a "buy." He said, Volvo, based in Sweden, and sure for seven quarters, and they've comment on reports of a deal. had a tough time producing any con-

sistency Rising bond prices bolstered the stock market. The price of the benchmark 30-year Treasury bond was up 1 2/32 at 98 17/32, pushing bonds yields fall because lenders the yield down to 5.35 percent from pay less on their debt holdings.

5.42 percent.

ve, sending yields lower.

Hewlett-Packard, another major icipation of its earnings report. world's second-largest maker of opportunity to buy on-line. IBM 'People are nervous about the heavy trucks, may buy the truck-shares also rose. (Bloomberg, AP)

Chicago-based Navistar declined to Financial-services stocks and banks gained as bond yields fell.

American Express, Citigroup, and Wells Fargo all rose. Bank profits tend to increase as

Stocks and bonds benefited from travel and financial-services comthe dollar's rise against the yen. Japany said it had teamed up with anese finance officials said they international Business Macaines to favored a weaker yen to help exporters. A stronger dollar makes card members automatic discounts U.S. Treasury issues more attract- of as much as 10 percent on a range of IBM products. The two compa-Navistar International rose 7 to nies also are linking their Web sites 4214 on speculation that Volvo, the to give small business owners the

WAL-MART: 'Killer' Competition Is Expected as Discounter Starts a Superstore Push in the U.S.

Continued from Page 11

Sprawling to as much as 200,000 square feet (18,000 square meters), these vast emporiums offer not only the apparel, housewares and electronic goods available at most Wal-Mart stores but also groceries, pharmaceuticals and extras such as eye care and auto service.

As a result, they compete with a much more diversified range of retailers than regular Wal-Marts. The average Wal-Mart supercenter rings up about \$55 million to \$65 million in annual sales - almost double the volume of a regular Wal-Mart and seven times that of a rival discounter

such as Ames Department Stores. According to some analysts, Wal-Mart stands to triple its supercenter sence in the Northeast in the next nual sales from an already crowded Bradlees are among those with

marketplace. To put this figure in perspective, it exceeds the 1998 sales of any of the regional chains — Ames, Bradlees, Grand Union or Pathmark Stores.

'Wai-Mart's expansion into the Northeast is going to create a killer competitive environment and an in- mout — as well as 28 superor tense price war," predicted Burt the retailer is already familiar to Flickinger 3d, who has been studying regional retail patterns for three decades and is now managing director of Reach Marketing, a retail and marketing consulting agency in Westport, Connecticut.

Mr. Flickinger says that not all the chains can survive, and he is not shy about calling the race.

He says that Grand Union and the Traffic Co., a company now in bankruptcy that has a significant presence in eastern Pennsylvania, along with the retailers Ames and

15.45.45.14.1 15.45.45.16.1

Not available

at press time

Not available

at press time

REVERSE STOCK SPLIT

を発展が

.18 3-19 1-6
.18 3-5 3-20
.94 3-7
.95 3-7
.96 4-7
.14 2-26 3-16
.15 2-7
.96 3-15
.96 3-7
.96 3-15
.96 3-7
.96 3-15
.96 3-7
.96 3-15
.96 3-7
.96 3-15
.96 3-7
.96 3-15
.96 3-7
.96 3-15
.96 3-7
.96 3-15
.96 3-7
.96 3-15
.96 3-7
.96 3-15
.96 3-7
.96 3-15

'mestionable futures." As its competitors point out in defense of their own viability, Wal-Mart is not exactly invisible in the ast even now. With 244 of its regular discount stores - such as those in Williston and Berlin, Ver-

New York, New Jersey and

Pennsylvania. Wal-Mart typically provides few details of its expansion plans for the year beyond an overall number of stores planned. This year it said it intended to build 150 supercenters and 40 normal-sized discount stores nationwide. When asked about anasupermarket chains run by Penn lysts' projections, a Wal-Mart spokesman, Jay Allen, said that the

company had plans to build 15 supercenters in the Northeast this year.
What might Wal-Mart ultimately

percenter-to-consumer ratio, con- not about our future survival. We sider that Arkansas, its home state, with a population of 2.3 million, has 27 mega-outlets.

Mart challenge. Bradlees, which has only eight of its 102 stores in the middle-income customers who only eight of its 102 stores in the same market as Wal-Mart, might conflict with the retailing leviathan. But Bradlees' chief executive, Peter

Thorner, appears sanguine. head, he said, "Wal-Mart takes only 6 percent to 8 percent of sales from our stores and even then only in the first year of competition.'

Joe Ettore, chief executive of Ames stores, contends that for him the battle with Wal-Mart is already over. "Out of our 301 Ames stores,

supercenters for the Northeast? To Wal-Mart, and 165 are within three get some idea of its preferred sumiles," he said. "At this stage it is already coexist."

Mr. Ettore's strategy, which has been widely hailed by analysts, is to Other discounters in the Northeast sell to consumers with family insay they are ready to meet the Wal-comes under \$25,000, just beneath

Supermarket executives acknowljustifiably fear an escalation in its edge that Wal-Mart is a threat. They are not benign," said Bob Tobin, president and chief executive of horner, appears sanguine.

Ahold U.S.A., the subsidiary of RoyIn markets where they go head to
al Ahold NV, the Dutch grocery giant that owns the New England-based Stop & Shop chain. "No one who is a student of this industry welcomes Wal-Mart into their area.

In a recent study of Wal-Mart's experience in Texas, Mr. Stone found that three years after a supercenter opened, local grocery stores had lost take to be an appropriate number of 245 are within 10 to 12 miles of a an average of 17 percent of sales.

• Nokia Oy of Finland said it would purchase Diamond Lane Communications Corp.—a California-based developer of a Bioombers News **Bioombers News** **Dollar Rises Against Yen on Tokyo Officials' Statements **XL to Buy NAC Re Bioombers News** **Bioombers News*** **Dollar Rises Against Yen on Tokyo Officials' Statements **XL to Buy NAC Re Bioombers News** **Bioombers News*** **Dollar Rises Against Yen on Tokyo Officials' Statements **XL to Buy NAC Re Bioombers News** **Dollar Rises Against Yen on Tokyo Officials' Statements **XL to Buy NAC Re Bioombers News** **Dollar Rises Against Yen on Tokyo Officials' Statements **XL to Buy NAC Re Bioombers News** **Dollar Rises Against Yen on Tokyo Officials' Statements **XL to Buy NAC Re Bioombers News** **Dollar Rises Against Yen on Tokyo Officials' Statements **XL to Buy NAC Re Bioombers News** **Dollar Rises Against Yen on Tokyo Officials' Statements **XL to Buy NAC Re Bioombers News** **Dollar Rises Against Yen on Tokyo Officials' Statements **XL to Buy NAC Re Bioombers News** **Dollar Rises Against Yen on Tokyo Officials' Statements **XL to Buy NAC Re Bioombers News** **Dollar Rises Against Yen on Tokyo Officials' Statements **XL to Buy NAC Re Bioombers News** **Dollar Rises Against Yen on Tokyo Officials' Statements **XL to Buy NAC Re Bioombers News** **Dollar Rises Against Yen on Tokyo Officials' Statements **XL to Buy NAC Re Bioombers News** **Dollar Rises Against Yen on Tokyo Officials' Statements **XL to Buy NAC Re Bioombers News** **Dollar Rises Against Yen on Tokyo Officials' Statements **XL to Buy NAC Re Bioombers News** **Dollar Rises Against Yen on Tokyo Officials' Statements **XL to Buy NAC Re Bioombers News** **Dollar Rises Against Yen on Tokyo Officials' Statements **XL to Buy NAC Re Bioombers News** **Dollar Rises Against Yen on Tokyo Officials' Statements **XL to Buy NAC Re Bioombers News** **Dollar Rises Against Yen on Tokyo Officials' Statements **XL to Buy NAC Re Bioombers News** **Dollar Rises Against Yen on Tokyo Officials' Sta

NEW YORK — The dollar rose against the yen Tuesday after Japanese finance officials said they favored a weaker currency and would drive down ng-term bond yields to revive the economy. Finance Minister Kiichi Miyazawa as well as

two senior Finance Ministry officials -- Eisuke all said they would welcome any decline in the yen caused by the central bank's cut in interest

against the head winds of a strong yen and higher markets were closed for a holiday Monday.

U. S. STOCK MARKET DIARY

Tuesday, Feb. 16

Most Actives

NYSE

long-term interest rates," said Anne Parker Harriman & Co. It has become evident that

FOREIGN EXCHANGE

officials are concerned, she said. "Today's news is very negative for the yen." The dollar jumped to 118.645 yen in late trading

from 115.450 yen a day earlier in London. It also rose to 1.4258 Swiss francs from 1.4235 francs, while the euro slipped to \$1.1203 from \$1.1296. "You've got a very fragile economy running The pound rose to \$1.6342 from \$1.6340. U.S.

The Japanese currency's 25 percent gain against Mills, senior currency analyst at Brown Brothers the dollar since mid-August has hurt exports. On Tuesday, Japan forecast that the economy would grow 0.5 percent in the year starting April 1. In an effort to curb a rise in long-term interest rates, the government will resume buying government bonds and reduce sales of 10-year bonds this month and next.

'When countries wish their currency to weaken, they usually get their wish," said Scott Turner of Prudential Investments. He predicted that the dollar would climb to 125 year as government bond purchases "derail the upward trend in interest rates."

HAMILTON, Bermuda - XL Capital Corp., a liability insurer, said Tuesday it would buy NAC Re Corp. for about \$1.15 billion in stock, expanding its reinsurance sales and giving it a larger U.S. presence.

The deal will create a company with assets of \$13.3 billion and \$2.3 billion of revenue. Shareholders of NAC Re will get

0.915 share of XL for each share they hold. NAC Re stock rose \$2.1875 to 52

in late trading, but XL fell 93.75 cents to \$59.5625.

ASA's Delta Connection

Delta's move will protect

Manus, a portfolio manager at Independence Investment

Associates, which owns about 500,000 Delta shares.

Both Delta and ASA airlines are based in Atlanta

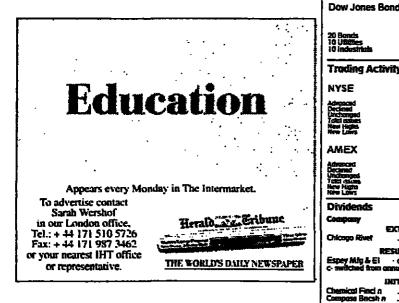
has protested the purchase of

Reno Air, demanding that the

seniority list of Reno Air pi-

The pilots union at AMR

Appears every Wednesday in The Intermarket. To advertise contact Sonya Broadhead Herald Eribune in our London office, Tel.: + 44 171 510 5725 Fax: + 44 171 987 3462 THE WORLD'S DAILY NEWSPAPER or representative.





INTERNATIONAL FUTURES

Tuesday, Feb. 16 High Low Lobest Chyp Opini

-MONTH SWISS FRANC (LIFFE)

euro100,000 - pis of 100 pct Mar 97 111,26 111,01 111,08 + 0,04 89,994 Jun 97 96,00 96,00 95,72 + 0,06 1,452 Est. salet: 22,969 Open int.: 91,426 off 2,106 LLAN GOVERNMENT BOND (LIFFE) 200 mBRo - pts of 100 pc 1797 N.A. N.A. 113.39 + 0.06 44,780

Stock Indexes
FIXE 140 (LIFFE)
525 per helpe point
Mar 79 61250 61250 6110.0 +1
Mar 99 61250 6140.0 6140.0 +1
Sup 99 N.T. N.T. 61250 6140.0 +1
Ext. select 31460, Peru 10150 614
Prev. open left: 189.311 off 2175

Apr 99 10.49 10.02 70.05 -0.32 74,9 81,07 99 10.45 10.29 10.24 -0.30 44,5 10.99 10.45 10.40 10.43 -0.31 22,7 10.47 99 11.04 10.69 10.42 -0.28 12,4 Aug 99 11.20 10.78 10.78 -0.31 5.5

Clese 1,180.20 1,432,40 74,635 184.33

Do you live in Luxembourg?

For a hand-delivered subscription on the day of publication, call toll free 0800 2703



THE LOW LOBEST COPE COPE TO PUTCHASE All. Sep 79 77.11 77.08 77.10 : 4.07 19.158 DEC 77.20 77.00 : 4.07 19.158 DEC 77.20 77.00 77.01 : 4.07 19.158 DEC 77.20 77.00 77.01 : 4.07 19.158 DEC 77.20 77.00 77.01 : 4.07 19.158 DEC 77.00 19.158

Compiled by Our Stoff From Dispatches craft at both airlines. ATLANTA — Delta Air shuttles Delta passengers on Lines Inc. said Tuesday it shorter connecting flights from Atlanta and Dallas/Fort would buy the remainder of ASA Holdings Inc., the operator of the regional carrier Atlantic Southeast Airlines, its main territory amid recent acquisition efforts by other for about \$700 million, protecting its main market in the Southeastern United States major carriers such as American Airlines, a unit of AMR Corp., and United Airlines, a and Texas.

Delta, which already owns about 28 percent of ASA, will pay \$34 for each of the reunit of UAL Corp.
"This puts a kink in anybody's plan to put a hub in the Southeast," said Paul Mcnaining shares.

Atlantic Southeast's stock rose \$1.8125 to close at \$33.75, while Delta was down 6.25 cents to \$52.50. Leo F. Mullin, Delta's president and chief executive, said the acquisition would strengthen financial performance by improving efficiency and utilization of air-

To Our Readers

Because of technical prob-lems, certain financial tables were not available for this

lots be immediately integrated with American's. The protest caused American to cancel more than 6,600 flights from Feb. 6 through Tuesday.

INTEREST RATES

Tuesday, Feb. 16 Government Debi 2-year 4.857 3.04 3.019 3.146 0.415 3.019 5-year 4.523 3.472 3.352 3.632 1.23 3.522 10-year 4.419 4.003 3.91 4.133 2.09 4.119 **30-year** 5.35 98₋16 Money Market Rates 0.50 0.10 0.60 0.65 0.67 Libor Rates Euro 2000 Reportifu EONIA Eother 1-a Eother 3-a Eother 6-a

1- 3- 4- 12-month worth month anoth 45366 5.00 5.0622 5.2425: 1.1125 1.0913 3.0625 1.0375 5.5946 5.4366 5.3125 5.25 0.2539 0.3325 0.3325 0.3577 1.2048 1.2567 1.335 1.4983 **Forward Rates** 78-day 1.6293 1.5027 1.1483 117-28 1.4257 68-day 1.6279 1.5027

A CHIPPING CHIPPI the start) is de onter for the man die letten ninet ge The same and the same and and the see and The state of the s The state of the s A PROPERTY OF THE PERSON te de la verte de des

The state of Course

the state of the second

Has Vena

tohir factoring

the state of the s A Differe and Twing Con-The state of the late of to the state of th the second of the second second Special state of the second section of the second section of the second section sectin the same of the strike to the the welling t

HNKS: Raids Seek 3 Commised from Page 1

personal transfer and her un tan has To me the piets the first of the product of the last of th Specialists with the special water Red to be come and trans-Best in tradingually been said The state of the s The state of the s secretary and another transfer Spiege me i Gener Gening Designation of the Party has remised to diverse that he

min customer, for services B: European Coma

Continued from Page 11 Mapuble touch with the control April men that due due applie which of avenuants to were our consume being mirRCB Leonomach attrebute between the care which had. mapated to destrottion, to formersons and the control. دتلا الذخاط

THE THE LOCK

felm Grebe, un excenement 📽= biblis Bart, sand the I tenest giêmen frances menestativ 🗱 ged Schlengtein to the Thalking T bendan' in the markets is by und stimelating. Horografia 1844.

FORLD STOCK MARKE

tesday, Feb. 1G acabén ***.5

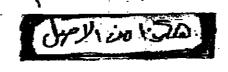
> 201 acc; 107 M Parison 104 D Copenhage

Frankfurt.

- proder - proder rep: 175 Y District and of course

Heislicki emissi STREET

Jakarta



JANION LES A

Euro Has Vending-Machine Industry Looking for Change

By John Tagliabue New York Times Service

VICENZA, Italy - Luca Adriani is of two minds about the curo.

 $^{\infty}, \lambda_{i,j}$

11 A. 11 A.

in Brazes in the

Harry and

2.502

artel to be a first

today security

August and the con-

1.00

Buckey of M.

Barrier Co. State of the second į i

1

. J # %

48 5 . 1

Section 5

· 经通信。

ជុំផ្លូវ មេ ប

Tage 1

44.4697----

 $x_{1} \in \mathcal{F}_{1}(\mathcal{F}_{1})$

70 m

was alter a c

and who was a

 $\{ u^{\dagger}_{a} x^{-1} , (u^{\dagger})^{*} \}$

2.55 والمنازع والمتحور والمار

د الأداد د مولويون الفاط فينجونون ्रसम्बद्धाः अवस्य <u>ग</u>र A see that the second \$\$ Guerra et Lambert Const. ACTOR NO. المراجد المراجد

> Pari Berg Land State Committee $\delta \varphi = \omega_{\overline{\varphi}} = \varphi (\gamma - \gamma)$

3-. 1000 . . .

 $(x,y) = 2\sqrt{2} \sqrt{2} (y^2 + 1)$ ا د ينيني a negative of the محرا أستره فيهضع gages the second 18-21-31-1r meng semi A 34.5 m

a faute fter No. of the last ₩ T 7 · · · · · - Partie of the second The state of the s

A STATE OF THE STA 542 C 3 C 1 C M M

42 F A Magnetic Services

- A - on the state of th Company of the State of the Sta

Terr. Li in Paris

. __ . . .

.

194 35

ATTATA NO. 11 . 1

Mr. Adriani, 32, is chief executive of Coges SRL, which manufactures vending machines. Now that the euro — the common currency for 11 European nations — has made its debut to remain legal tender until July 2002. in electronic transactions, orders for his machines are swelling, he says, in preparation for January 2002, when euro coins and bills will be introduced.

But the company, based near this city in northern Italy, also operates vending machines, supplying them to businesses that offer snacks and coffee to employees. So he expects the cost of replacing the coin boxes, as well as the loss of revenue while the machines are being converted, to put a sizable dent in that business. "I'm laughing on one side of my face and

crying on the other," Mr. Adriani said. Mixed emotions are found throughout the European vending industry. In the next three years, companies that operate vending machines will have to spend heavily to adapt them to accept euro coins. The swelling de-mand will be a boon for equipment man-

But the rush to convert also means that many Puchalski, sales manager at NRI National Remachines will be out of commission for long jectors Inc. near Hamburg, a leading maker of nition devices, such as those often used in customers with Deutsche marks, lire, francs that's done, we expect some holding back." and the like still jingling in their pockets who The euro came into use at the start of this

"The question for us is: When do you convert your machines?" said Norbert Monssen, spokesman for the organization that represents the German vending machine industry. "If

currencies during the six-month transition peri- for 3.8 million vending machines and several od; vending machines and other coin-operated million more coin-operated devices such as devices are exempt but still must be retrofitted telephones and subway ticket machines. to accept the new coins at some point.

about a sharp falloff in sales once the new coins arrive.

periods, in limbo between currencies. And coin-processing equipment and a unit of Crane vending machines, must learn the characcome 2002, there are sure to be frustrated Co. of Stamford, Connecticut. "But once teristics of new coins by having them re-

will be unable to use the new euro
machines. The national currencies are
TO THE EURO

year in Italy, Germany, France, Ireformation from a laptop computer.

European industry officials all
the national currencies are currency, used only by banks and financial markets.

The introduction of euro notes and coins will take place in three years, to you do it too early, your customers don't have afford Europe's new central bank and mints the coins and go elsewhere. It's a problem the time to produce the coins and bills that will unique to vending."

be needed. Europeans now carry roughly 70
Stores, he said, can and must accept two billion coins in their pockets that can be used

The task of changing all that money into As the investment budgets of vending-machine operators are stretched thin, some equipment manufacturers are apprehensive European Vending Association in Brussels, Some which represents the industry.

Few euro coins are available to vending "We'll peak in the next two years, and machine manufacturers. Industry executives investments will be considerable," said Rainer say they must have samples of the coins after the euro comes.

peatedly inserted into their slots; newer models are programmed by transferring the in-

European industry officials also worry embourg, Austria, Finland, Spain and Portugal. But for now, it is a cashless available in 2002 and whether the amounts will be properly apportioned in terms of what denominations are most in demand by vending-machine customers.

Some skeptical companies are promoting cashless systems that use smart cards or programmable keys to activate vending machines, convinced that coin shortages will occur and will present opportunities for introducing new technology.

"Italy alone has to mint 7.6 billion coins by

2002, or 10 million coins a day," said Mr. Adriani, whose company has annual sales of \$60 million. "But our mint has a capacity of 2

Some companies have already adopted cashless systems. Alois Dallmayr, a Munichbased coffee distributor, says it expects 70 percent of its vending machines to be cashless

Investor's	Europe			
Frankhet L	ondon	Pari		XVIII.
DAX "F	TSE 100 Inde	x CAC	40	
6000 9 61	100 ₁₁₈	A 4400-		1
5500 55	800 ··· - — // 1 51	4100 -		₩-1
5000 A 1 14 54	500 -—₩	3800 1	Nd	" }
4500 7 5	200 🍇 🏸	3500	_/	1
4000 - 4 49	900	- 3200-	M	1
3500 S O N D LE 46	00 o o o o o	2000	<u> 4 .</u> _	1
1998 1999 i	a UN UJ	F 3	NO E) J F 1999
Exchange ladex	Tue	eday i	Prety	%
	Ci	ise C		henge
Ameterden AEX	····			-0.09
Brussels BEL 20	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,			0.14
Frankfurt DAX			879.55	
Copenhagen Stock M		·		+0.28
Halsinki HEX Ge			910.43	
Osto OSX	 			+0.08
Landon FTSE 10				+1.42
				-0.83
				-1.47
~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~	~ ~~~			-0.32
				+1.32
Vietma ATX Zurich SPI	_			+2.66

BANKS: Raids Seek Signs of Collusion in Euro Zone on Money-Changing Fees Continued from Page 1

nev Could Do commissions for some time and has said the launch of the euro has stripped away some of the justi-fication for high bank charges. The union wants banks to lower fees and

> determined. tion of the euro last month set fixed shown documents, but the premises rates between the 11 participating national monies, doing away with

The European Union Banking Fed- Societe Generale said they had been nated raids were part of a broader banks, pledged that its members ment. would convert customers' accounts to euros for free.

But consumers have complained that banks are shortchanging them be more open on how these are by not passing on the benefits of the new single currency.

weren't searched, he said.

Dresdner Bank said the accusations against it were false. BBV of

eration, a trade group that represents visited too and declined further com-

called Mr. Van Miert's remarks be- zations. fore the monetary subcommittee 'warlike'' and unjustified.

Mr. Van Miert said the commission had decided to investigate pos- and tourists in the summer. The cost of exchanging and transferring money has traditionally been said the commission and German plaints from the Parliament and the was national coordination — and expressed as a commission based on cartel office representatives had vis-public suggesting banks had agreed the spread between buying and ited the bank and asked how it cal- not to compete on costs for currency tions," Mr. Van Miert said. selling currencies, but the introduc- culated its fees. The officials were exchange and cross-border transfers.

Mr. Van Miert said the commission had figured there were enough indications that there could have banking association for recombeen collusion between banks over mending a 3 percent currency-exthe charges both at national and change fee. Italian banks have since

investigation that also included written requests for information The French Bankers Association from the leading banking organi-

The commission is determined to stamp out any excessive charges

"It's necessary to verify if there there we have quite strong indica-

ahead of Europe's rush of travelers

The raids by the commission come a day after the Bank of Italy said it would investigate Italy's

cut their charges.

Banks promised last year not to Spain said it was not charging any the charges bot charge their customers for services related to the transition to the euro. Spain said it was not charging any the charges bot commissions not permitted by the European level. Bank of Spain. Credit Agricole and Mr. Van Mies Mr. Van Miert said the coordi-ECB: European Commission Warns Germany and France About Budget Plans

Continued from Page 11

dollar, public feuds with the central bank have raised new questions about the ability of governments to the softness of the euro, which had been expected to strengthen, to term money-market rates. political trespassing into the central

way of stimulating Europe's ex-

rate cut," Mr. Grebe said. notion that interest rates were too

term borrowing levels and short-"These interest rates are very low

Bank Julius Baer, said the French etary and financial conditions are turbulence in global markets, and the ECB's opposition to exchange- million from operating profit of and German finance ministers appeared deliberately to be "talking the euro down" in the markets as a the euro area."

it is aid. Europe's economy is cool
therefore favorable for sustained job creation has slowed in sectors are controls, Mr. Lafontaine's controls, Mr. Lafontaine's continued pressure could worsen relations between Europe's bankers and overall and reduce risk at Barclays

ports. "A weak euro is similar to a diate threat of deflation, a reces- extent and duration" of the slowsionary trend marked by falling In its report, the ECB rejected the prices that many economists expect will force the bank to lower its lendhigh. It cataloged the declines in the ing rates. "The strong growth of ministers and central bankers from cooperate over economic policy past year of each of Europe's bench- credit suggests the absence, at the Group of Se with the ECB. Economists attribute mark interest rates, including long- present, of deflationary risks in the trial economies. past year of each of Europe's bench- credit suggests the absence, at the Group of Seven leading induseuro area," it wrote.

As it has in previous statements, it meeting, is expected to repeat his left the door open for quick action on case for political controls of exby international and by historical interest rates, if it chooses: "Down- change rates, an argument that has investment-banking unit, which Gerhard Grebe, an economist at standards," the report said. "Mon- ward" risks could ensue from future caused tensions with the ECB. Given swung to a loss for the year of £265 The bank dismissed the imme- ing, it acknowledged, although "the politicians, economists said.

down remain unknown. The report set the stage for a meeting Saturday in Bonn of finance

Mr. Lafontaine, as host of the

Barclays Posts Better Profit

LONDON - Barclays PLC said Tuesday that its earnings doubled in the second half of 1998 as rising profit from corporate and consumer banking more than offset losses at its investment bank, Barclays Capital.

The bank's second-half net income rose to £448 million (\$729.5 million) from £227 million a year earlier. Full-year profit rose 19 per-cent, to £1.34 billion, in line with expectations.

'Barclays' results were a relief to the market," said Nigel Cobby, an analyst at Morgan Stanley Dean Witter. "There was real concern about the earnings."

The company's shares rose 127 pence to £16.92 in London. Barclays increased lending to individuals and raised loans to and

fees from corporations. This helped the bank recover

from a tumultuous year that culminated in the resignation in November of its chief executive, Martin Taylor.

The company said previously that it would take a £250 million secondhalf provision related to losses on Russian debt at Barclays Capital, its

Capital. (Bloomberg, Bridge News) plants in Sweden.

the contract of the contract o

. ._--

Very briefly:

LVMH Moet Hennessy Louis Vuitton SA, the world's largest luxury-goods company, bought 33 percent of the fashion house Michael Kors LLC. Terms of the transaction

 Russia's trade surplus more than doubled in the final quarter of 1998 after the ruble's drop in August drove up the cost of foreign goods and made exports cheaper, spurring domestic production. The surplus widened to \$9.7 billion in the fourth quarter from \$4.5 billion in the third quarter.

• France published a decree in its Official Journal on a 'golden share'' to protect the rights of the state in the planned Aerospatiale-Matra aerospace group. A state representative is to sit on the Aerospatiale-Matra supervisory board as a nonexecutive officer.

• Sema Group PLC, Europe's second-largest computer-services company, said its second-half profit rose 31 percent. Net income for the six months ended Dec. 31 was £34 million (\$56 million), up from £26 million a year earlier.

• Greece sold 384 billion drachma (\$1.33 billion) of sevenyear bonds at record low yields as part of its strategy to shift borrowing to lower-yielding long-term bonds.

 Astra AB of Sweden, which is to merge with Zeneca PLC of Britain, posted a 15 percent increase in pretax profit for last year, to 16.44 billion kronor (\$2.06 billion) from 14.3 billion kronor in 1997.

• Finland's unemployment rate rose to 11.0 percent in January from 10.2 percent in December as international demand in traditional industries such as paper and metals declined. A total of 273,000 Finns were without jobs in January, according to Statistics Finland. That was down from 290,000 a year earlier, when the unemployment rate was 12.1 percent, but up from 253,000 in December.

• Electrolux AB, the household appliance maker, said fourthquarter profit rose almost fourfold as demand in Europe and the United States offset declining sales in Asia and Latin America. Net income rose to 1.09 billion Swedish kronor from 288 million kronor in the same quarter in 1998.

 Volvo Truck, a division of Volvo AB, will cut 650 jobs at Bloomberg, Reuters, AFP

*

ik

to Help Mana

WORLD STOCK MARKETS	Mark Law Class Com-	Web Loui Clara Book	With Law Class Daw High Law Class Daw	Mich Law Class Day With Law Class Day
	Indospi 11800 11500 11725 11625 AEI Sompogna HAA 5925 5900 5900 5975 AMag	PC 4.53 4.20 4.40 4.25 Box Cox	market 570 555 555 559 CET568 543 563 563	Kennsal Etec 2300 22770 2300 2505 Cdn Occid Pet 17.00 16.25 14.20 16.90
Prices in local currencies; Bco Golido BA 3.32 3.28 3.30 3.30 in euros for EAMU countries. Perez Compon: 4.31 4.24 4.29 4.25	Seemen Gresst. 9450 900 9000 9000 9000 9000 9000 9000	PC 4.53 4.29 4.00 4.25 Bcc Care a 6.29 6.09 6.15 6.09 Bcc Fide and Grid 4.80 4.60 4.87 Bcc Info Book Power 5.42 5.21 5.34 5.34 Bca Pro Rest 1.396 12.79 12.74 12.75 Bca di frem Rock 5.08 4.70 4.88 4.89 Compara with Union 4.84 4.54 4.71 4.57 Ediston Stated Amer 3.89 3.77 3.82 3.79 ENI 190 12.54 6.93 6.78 Fondlar 190 12.55 6.93 6.73 6.78 Fondlar 190 12.55	70 1.51 1.46 1.49 1.49 1.49 1.49 1.49 1.49 1.49 1.49	Korssal Elec 2330 2277 2300 2265 Cdn Occid Pet 17.00 16.25 16.40 16.50 1
ASN-AARO 18.25 18.39 18.39 18.39 Copeninagen Stock Instact 488.43 Aron 4.00 29.25 49.90 39.40 Corporate 8 40.97 30.30 Stock Instact 488.43 Aron 4.00 29.25 49.90 39.40 Corporate 8 40.97 30.30 Stock Instact 488.43 Aron 4.00 29.25 49.90 39.40 Corporate 8 40.90 39.40 Aron 4.00	######################################	14,00 13.56 1.97 13.60 General Gener	207 2 201 204 ABB A 76.00 94.00 93.0 93.0 14.00 13.00 13.00 13.00 13.00 13.00 13.50 14.00 13.00 13.00 13.00 13.50 14.00 13.00 13.00 13.00 13.50 14.00 13.00 13.00 13.00 13.50 14.00 13.00 13.00 13.00 13.50 14.00 13.00 13.00 13.00 13.50 14.00 14.00 13.50 14.00 13.50 14.00 14.00 13.50 14.00 13.50 14.00 14.00 13.50 14.00 13.50 14.00 14.00	Samp Company
Hurr Dougles 21.23 21.89 22.30 24.80 Hurr Dougles 31.55 31	Columbia	odes 12.20 11.52 12.95 13.55 15.50 MOOT 15.20 12.95 13.55 15.50 MOOT 15.20 12.95 13.55 15.50 MOOT 15.20 12.95 13.55 15.5	TITO 11.45 11.65 13.35 TI Gp 21.25 22.5 23.6 23.00 Cos 37.20 34.73 34.85 34.25 Comuda 22.20 21.70 21.75 21.45 www.asc.com.au Previous 2027.80	Highpon Discrept
Desider Smit 33.20 31.97 32.70	Markets Closed The Knala Lumpur, Hong Was	Kurerne Nelcze Adrid Beko koden: E78.89 Horske: Previous: E77.40 Hycines Okko A	O DEX Indiae: 534.16 Board 2.29 2.26 2.29 2.75 5.40 Brumbles Ind. 6.66 37.60 0.32 40.60 Brumbles Ind. 6.66 37.60 0.32 40.60 CAnodil 6.20 6.15 6.16 6.20 GRIMBER 60.00 55.00 55.00 59.00 Coloniol 6.18 8.73 8.80 8.73 8.00 Br.73 8.00 Br	Deniron 1305 1309 1305 2509
Consenercial Bit 27300 35500 34980 27450 27500 2859 34710 22500 25700 446868 27145 2715 2716 2716 446868 27145 2715 2716 2715 2716 27	LONGON	zs Borceton 57.90 56.05 56.15 56.75 Schillische mitorin 27.66 27.90 27.99 27.42 Stimbers 27.42 Storbers 27.42 12.45 12.4	SecSec 97.00 98.00 99.00 98.00 99.	ShiZuolad Bk 1400 1415 1425 1416 Wellington MZSE-80 index: 2151-90 Softbornk 89900 8970
Sum Summer F 120.00 814.00	17.00 17.50 16.52 15.65 15.6	Constr 61 59.15 60 59.70 59.70	24.27 21.11 24.08 22.10 19.40 19.20 19.40 19.20 19.40	Tokoh Brank 1277 1256 1360 1260 136
Sharar Hwy E1 202.00 195.19 20	Bert Steet 1.26 1.24 1.25 1.25 Mis Bert Steet 1.26 1.26 1.26 1.27 1.25 Mis Bert Steet 1.26 1.27 1.27 1.27 1.27 1.27 1.27 1.27 1.27	PSE Index: 1918.157 Eridorial	185 127 125 127 124 186 345 328.0 34.0 34.95 187 134 1.12 1.13 1.13 188 135 78.20 78.40 80.50 189 48.51 1.33 1.13 189 48.10 82 80 Advantest 920 910 910 9310 189 48.21 189.10 197 187.40 All Nippon Air 320 1990 7190 9310 189 48.21 189.10 197 187.40 All Nippon Air 320 329 340 325 189 189 189 189 189 189 189 189 189 189	Noveris R 254 253 257 257 257 258 257 258 257 258
BFUS 50 S	EMAIGNOP 13.00 12.63 12.79 12.84 MeE EMI Group 2.60 2.50 2.50 2.50 2.50 2.64 MeE Goltzher Group 4.50 4.50 4.50 2.50 2.50 2.65 GKN Welkcome 26.51 26.17 2.35 2.00 2.66 GRE 3.01 2.03 2.01 2.03 2.07 8cm Ground's Group 11.86 11.46 11.76 11.47 8cm GRE 3.01 3.50 7.24 4.55 2.67 5.63 2.67 GKI 1.66 17.50 7.24 4.55 7.24 4.55 2.67 GKI 1.66 17.50 7.25 2.65 5.67 5.63 2.67 Horis 5.57 5.64 5.67 5.63 2.67 Horis 5.57	Property	45.14 27 75.90 76.80 24.85 Dai Nigo Print 1718 1681 1690 1993 1910 1953 1910 1953 1910 1953 1910 1953 1910 1953 1910 1953 1910 1953 1950 1950 1950 1950 1950 1950 1950 1950	SCT Telux
164 162 167 164.50 18.50 Jakarta Companie index: 294.65 Maryla Local Maryla Local Maryla Local Maryla Local Maryla Local L	impi Tobocco 7.79 7.17 7.54 7.89 Televisher 7.10 4.54 6.59 6.57 Televisher 7.10 7.83 7.97 8.01 4.54 6.54 6.54 6.54 6.54 6.54 6.54 6.54	Symbols 18.06 18.00 18	Honda Motor 4239 4130 4230 4979	EMU-bloc indexes FTSE Etioc 100 990.02 993.60 -0.36 1,129.29 732.21 MSCI EAU 177.55 177.17 +0.21 201.67 134.38 Euro Stoxx 50 3.402.21 3.414.97 -0.37 3.487.20 2,388.42 ASCI indexes are from previous trading day: Source: Bloomberg.

PA

nel viv uhri tha COL

Sv: the

slu det 40

0 duc

du lop

co.

的现在分词,我们是我们的现在分词,也不是这些人的人的人,我们是我们的人的人,我们是我们的人的人的人,我们也不是我们的人的人的人的人的人,我们也是我们的人,我们也会会会会的人的人,我们也会会会会会的人,我们也会会会会会的人 我们的是我们,我们也是我们是我们,也不是这些人的人的人,我们是我们的人的人的人的人,我们就是我们的人的人,我们就是我们的人,我们也是我们的人,我们也是我们的人

د**انالان بهد به**داری

Company of the compan Tuesday's 4 P.M. Close

Onting of the state of the state

| JOHOMBH | JOHN

INTERNATIONAL HERALD TRIBUNE, WEDNESDAY, FEBRUARY 17, 1999 NASDAQ Tuesday's 3:45 P.M. The 1,000 most traded National Market securities 12 Month High Law Stock Dir Yié PE 1804 Hégà in terms of dollar value, updated twice a year. **AMEX** Tuesday's 4 P.M. Close The 150 most traded stocks of the day, 一十一城南北 一大樓北北城北北北 A CONTRACTOR OF THE PROPERTY O CONTRACTOR OF THE PROPERTY OF Tripper
Trippe 1 - 4 1 - 4 7 5 5 7 5 5 7 5 5 7 5 5 7 5 5 7 5 5 7 5 5 7 5 5 7 5 5 7 5 5 7 5 5 7 5 5 7 5 5 7 5 5 7 5 5 7 5 5 7 5 5 7 5 5 7 公司 100 日本 100 · 中国的外外的各种的特殊的人的人。 Gliden a Griffinn Griffinn Griffinn Griffinn Hallen 2.加工作的用户的现代的对外的对外的现代的对外的 AYTTEI
HA VACTOR
HAPA FOR
HAPA **经保持。其标型共一组的基础模式** Man of the state o 新聞のないのでは、 ないのでは、 ないので **《中国的国际条件》《林阳山西海州为南部为旧形的为旧** ·我们我我也是我的人的人的人,我就是我 - 一年 | 子

松水 流物 有好地的人在他并由我看上的好情以随时他有 《新生物》等的有多种型的超越越来越来越来越来越来越的。 1 Benefith Combat Combat Comparis Compari , 四日以与班数以前提供日本日本日本月至日的计划的因

| Description |

ARTONIA PROGRAMMA PROGRAMM

NYSE
Tuesday's 4 P.M. Close
(Continued)

Do you see the first state of the state of

Share of the same

| Second | S | Part |

| High Least Stack | Dev Yall PE 1058 High | Devel aless Crype | High Least Crype | High

##1 18% YPF SOC ## 13 ZPA Z7% Yeshah ## 13 ZPA Z7% Yeshah ## 13 36% 19% 10% 10% 10 36% 19% 10% 20% 10 36% 19% 10% 20% 10 25% 6% 20% 20% 10 10% 5% 20% 20% 10 36% 19% 20% 20% 10 36% 19% 20% 20% 10 26% 39 20% 20% 20% 10 26% 39 20% 20% 20% 10 26% 39 20% 20% 10 26% 39 20% 20% 10 26% 39 20% 20% 10 26% 39 20% 20% 10 26% 39 20% 20% 10 26% 39 20% 20% 10 26% 39 20% 20% 10 26% 39 20% 20% 10 26% 39 20% 20% 10 26% 39 20% 20% 10 26% 39 20% 20% 10 26% 39 20% 20% 10 26% 30

| Value | Valu

top

PA

MARKETS: 'Contagion Effect' Sent Thai Economic Crisis Cascading Around the World

Continued from Page 1

In retrospect, GUM and its American owners made the same kind of mistake fund initially forced Thailand to accept as the Thai real-estate developers who austerity, including budget cuts and high started the whole mess: They became so interest rates. The idea was that sky-high accustomed to the long summer days that they came to disbelieve in winter.

When Thailand floated its currency on July 2, 1997, the date that is now regarded as the beginning of the global financial crisis, the only shudder passing through GUM was one of delight - at its rising

Nobody else was initially very wor- harsh. ried that Thailand's problems would radiate around the world. While some of Thailand's underlying problems were the initial conditions had been too tough, well known, on the day of the devaluthe fund and Treasury reversed course. easy to find similarities to Thailand once ation the Thai stock market rose 7.9 percent, its biggest gain in more than planned budget cuts and to ease the aus-

In hindsight, everyone seems to have made a catastrophic misdiagnosis of the desires and declining to rescue Thailand problem, one that resulted in Thailand's getting insufficient treatment and in exposing other countries to the contagion.

The misdiagnosis was twofold: first, that Thailand probably faced a typical temporary downturn, rather than a staggering depression that would last for years; second, that the problem was largely confined to Thailand rather than the beginnings of a serious global crisis.

The Clinton administration initially saw the crisis as a replay of what had happened in Mexico in 1995, and prescribed the same mix of austerity and aid. So in the late summer of 1997, Treasury Secretary Robert Rubin and his deputy, Lawrence Summers, signed on to a standard International Monetary Fund plan: spending cuts, high interest rates and a repair job on the Thai banking system. But over the protests of the fund, the United States declined to contribute to a

Mr. Rubin still insists that he made the right economic decision, but he seems less sure that he got the diplomacy right. "I don't think it would have made a

difference economically," he said of a contribution to Thailand. "Diplomatically, I don't know." A senior State Department official said flatly, "In hindsight, it was a mistake."

Thailand appealed to Japan for fi-nancial help that summer of 1997, and officials in Tokyo say they thought seriously about arranging a big package of loans. But in the end they did not, partly because Washington insisted that a rescue be made only through the monetary

With the firm backing of Treasury, the interest rates would attract capital back to Thailand and stabilize exchange rates, but they also ended up devastating otherwise viable businesses.

stock price. Over the next three months Asia's problems, and even the fund has fell in the Philippines, Malaysia, Inthe stock rose 37 percent, to a new peak. admitted that its budget cuts were too

By early 1998, recognizing that the slump was unexpectedly serious and that They steadily allowed Thailand to reverse people began to look. Just as Western terity, but the damage had been done.

directly, Japan became more assertive as it saw the crisis worsen. In September 1997, Japanese officials proposed a \$100 billion bailout plan called the Asian Monetary Fund, to be paid for half by Bangkok. This time his advice was Japan and half by other Asian countries.

This would not have cost the United
States a penny, but Mr. Rubin was furiwas sold out and bombed out and that ous about it, partly because the Japanese there must be some auracure had not consulted him. He furned as he had not consulted him. He furned as he had not consulted him. Force jet carrying on Oct. 27, 1997. "And I've got to say and World Bank in Hong Kong.

Mr. Rubin gathered with Mr. Sum-

mers and other aides in the forward compartment of the plane to plot strategy. As the group nibbled on nachos. Mr. Rubin complained that the proposal would undercut American interests and influence in Asia, and that terests and influence in Asia, and that announcement and partly because of it, Japan would lend the money without the Hong Kong stock market plunged 23 insisting on tough economic reforms.

Mr. Rubin and Mr. Summers succeeded in killing the plan, with the help of Europe and China. Many in Asia now regard that as a crucial missed chance.

Treasury officials stand by their opposition to the Asian Monetary Fund, saying that the plan would not have changed anything, for it would have taken time to implement and, as Japanese officials later acknowledged, Japan was itself hard up for cash.

"The Japanese plan was vapor," Rubin associate said recently. "It wasn't going to happen. It was ill thought

fund in part because it - along with worst one-day losses ever.

fund and only after imposing tough conditions on Thailand. everybody else, including investors, scholars and journalists — thought that the storm over Asia would pass. Yet

something fundamental had changed. Perceptions of risk had altered, and people began to get nervous about holding any Asian currency.

The anxieties became self-fulfilling, particularly as Thailand's economy began to self-destruct. Speculators, Many economists, including those at stock investors and local business the World Bank, have criticized the people alike wanted the safety of dollars, fund's approach as initially worsening and during the fall of 1997 currencies

donesia, Taiwan and South Korea. Since many Asian countries had probinflated stock and property prices, overvalued currencies and bad loans, it was capital had flooded into emerging marrity, but the damage had been done. kets as a group in the early and After initially bowing to Washington's mid-1990's, now it began to ebb.

Take Barton Biggs, the strategist at Morgan Stanley who a few years earlier had helped ignite the Asian investment boom. As Thailand began to fall apart in trade currencies. The same was true of the fall of 1997, he made another trip to

that I was disappointed."

Mr. Biggs told investors to sell all their holdings in markets like Hong Kong, Singapore and Malaysia, and to cut by one-third their investments in emerging markets like Thailand and Indonesia

The dominoes began to fall. In late October 1997, right after Mr. Biggs's percent over four days. The debacle in Hong Kong suddenly caught Wall Street's attention, and in New York on Oct. 27, the Dow Jones Industrial Av- major banks and urged them to reschederage tumbled 554 points, its biggest one-day point loss in history.

"That changed everyone's calculations," recalled Stanley Fischer, the fund's deputy chief. Suddenly contagion was the buzzword, and there were regular meetings on the crisis in the Situation Room at the White House. Yet while White House officials pondered what to do, investors were busy selling. Anything that seemed to hint of emerging markets was dumped, and stock markets in Brazil, Treasury opposed the first Japanese Argentina and Mexico also suffered their

\$17 billion bailout, later raised to \$23 billion, to which the United States agreed to contribute - an implicit admission that it had made the wrong call with Thailand.

Pressure grew on South Korea, Taiwan, Malaysia, Brazil, Russia and other countries. Everybody seemed alarmed except Mr. Clinton, who in November 1997 tried to sound reassuring.

"We have a few little glitches in the road here," he said. "We're working through them."

Mr. Clinton was perhaps listening too closely to the State Department, for lems with heavily indebted corporations. American diplomats in Bangkok were sending out rosy cables, and their counterparts in South Korea were similarly oblivious to the Korean economy's disintegration, which was then well under

> The State Department missed its cues because historically it had focused on the threats from Communists who carry grenades, not on the threats from business executives who wear neckties and the Central Intelligence Agency, which proved itself, in the words of one of its top officials, "completely unprepared to deal with questions of an economic nature.

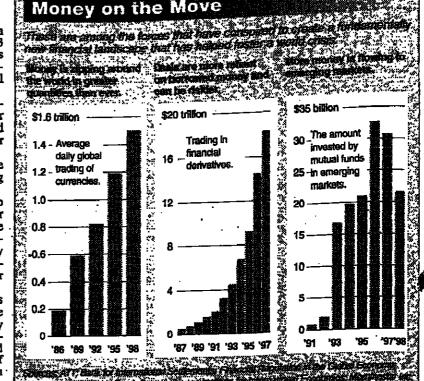
Yet by Thanksgiving Day 1997, it was clear to all top officials in Washington that South Korea was on the brink of an economic catastrophe. After five hours of conference calls among top American officials, President Clinton telephoned President Kim Young Sam of South Korea and told him he had no choice but to accept an international bailout.

Mr. Kim bowed to the inevitable and accepted a bailout that swelled to \$57 billion, the biggest ever. But with that money now flowing into South Korea, Western banks saw a chance to take it and run. The banks called in their loans. hoping to flee while they could.

Mr. Rubin quietly called the heads of ule their loans, and in the end they did. But the bailout still ended up bol-

stering Western banks. South Koreans lost their businesses and in some cases were even driven to suicide. But foreign banks — among them Citibank, J.P. Morgan, Chase Manhattan, BankAmerica and Bankers Trust - were rewarded with sharply higher interest rates.

Yet in contrast to previous financial crises, which were resolved by banks' effectively paying a good share of the bill, this was a huge bailout with public funds, and the banks did not chip in valuable. The electronic herd rushing came widespread.



Mr. Rubin defends the bailouts, saying that he "wouldn't spend a nickel" to bail out banks or investors, but that help-ing the country often means ensuring that it can pay off its creditors.

But critics note that the some of the biggest beneficiaries are the banks. The effort is hurting the countries they are lending to, and benefiting the foreigners who lent to them," argued Milton Friedman, the Stanford University economist and Nobel Prize winner. Mr. Friedman argues that the monetary

is bitterly critical of these bailouts. With the collapse of South Korea, investors rushed from any sign of risk. At Morgan Stanley, Mr. Biggs had bought emerging markets early in 1997 for his own portfolio, but now he sold

fund does more harm than good, and be

frantically. Tens of thousands of other investors holdings in emerging-markets funds.

portfolios to pay back shareholders. This meant that fund managers had to trim holdings even in distant countries, away from Korea ended up trampling

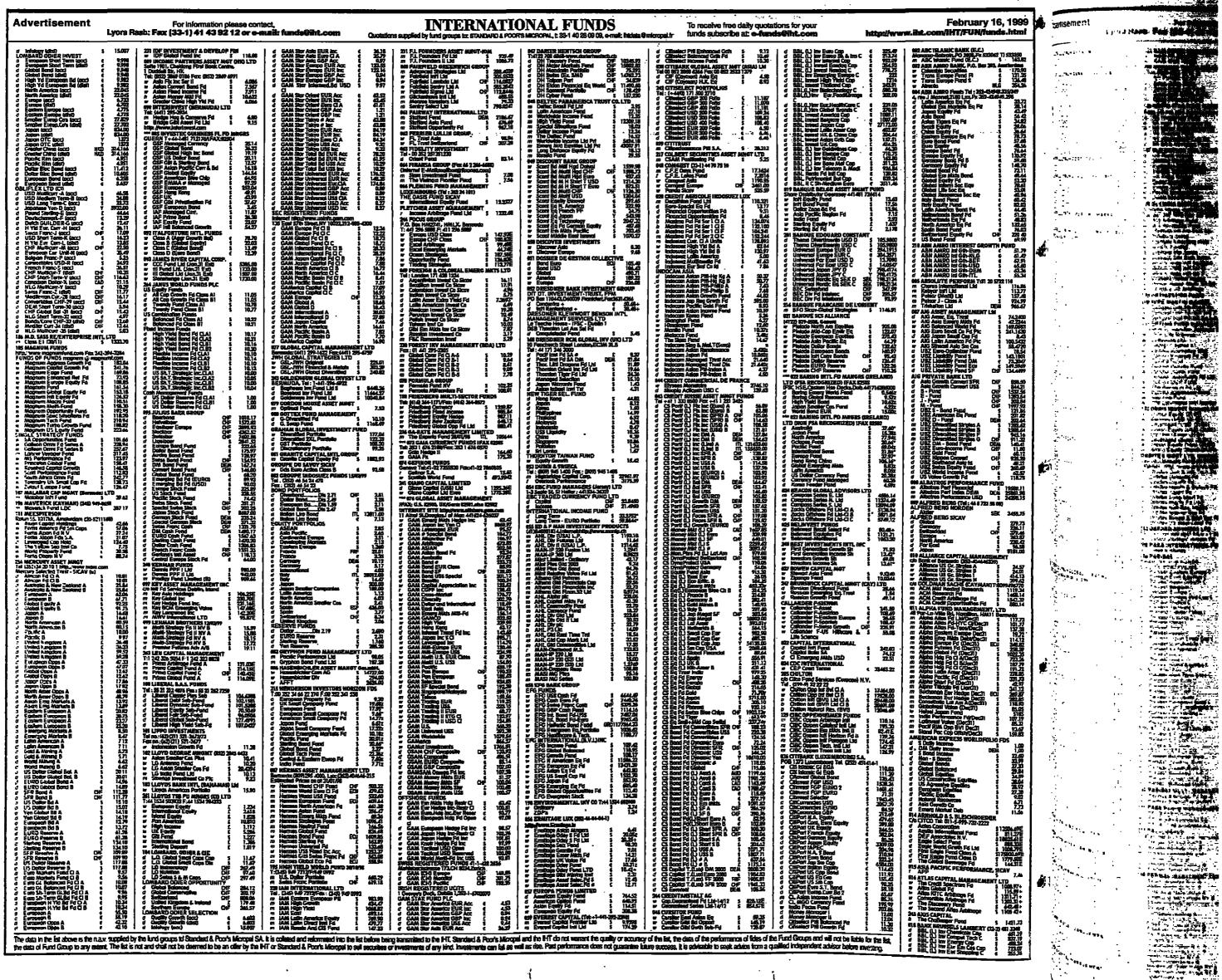
stocks in Argentina and Mexico. The world seemed to be coming apart, and so was the United States government's consensus on what to do. American officials had no intuitive feel for

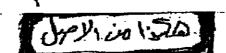
what might happen next.
"The nature of the crisis was not understood," recalls a senior official who weathered the thick of the crisis. 'We didn't really grasp everything that

was going on." Indonesia has been hit hardest, but what remains unclear is whether it had to suffer at all. Some economists argue that Indonesia was simply the victim of the international equivalent of a drive-by shooting.

Its trade balance was in relatively healthy shape. It had a respectable \$20 billion in foreign exchange reserves and did not squander them trying to defend its currency. Credit had grown more were doing likewise, liquidating their slowly than in other countries, and there was less indication of a bubble. The Sales of emerging-markets mutual funds government initially reacted with forced fund managers to pare down their foresight, going to the fund before any severe problems developed.

Yet in the end the Indonesian currency lost 85 percent of its value, riots cost even in stocks that they regarded as still more than 1,000 lives, and hunger be-





100 To 1919 VI SAUKEWALL and the state of t Company of the last · · P. or as period () Austral City of the state of th

THE PERSON NAMED IN

con control to the

A CAPPETING ST.

्रकार का **स्टब्स**

... , ea with the title to

German-Born.

Mits Slump Electronics

Section and the

Land to the

100

- 23 ្នោះ នេះវិ

25. May -

zansement

5-3-

JAVIOR 15 A

ASIA/PACIFIC

German-Born Scientist Takes Helm at Telstra

建设施的基本的企业,并是1000年,1000年 A The Control of the second of the second

Reality (March Pill

7) en en

्यत्र केला ह

·****

200

F.

हे ।क्राक्रम---

Bertreit gemen er 180 INT FUNSacht

AND AND AS

Serves introve & of firstill to

STATE STATE

lab coat long ago to carve out a career in the Switkowski's ultimate boss. corporate world.

tralia's dominant telecommunications com- greatest threats to the phone giant's profits as pany and most profitable company.
Unsurprisingly, it wasn't Mr. Switkowski's

penchant for atoms that enticed Telstra's board confidence when it comes to issues of techto take a bet on their head of business and nology," he said. international operations - a man who had joined just 18 months earlier after a yearlong Ltd., and 18 years at Eastman Kodak Co. It was, though, his sharp intellect that put him

ahead of three other candidates. "He's got unique credentials, preny much as close as you get to a rocket scientist, but certainly he's got that unique blend of technology background and commercial expertise," said

SYDNEY — Ziggy Switkowski threw in his worked for Optus. Mr. Alston will now be Mr. at Perpetual Investments.

more competitors come up with new products. "I think that kind of training gives me some

Mr. Switkowski worked as a research scientist, which took him to the United States and stint at the No. 2 carrier, Cable & Wireless Optus allowed him a stint at the National Aeronautics and Space Administration. Investors, however, want to see some ev-

profits. His brief period at Optus was marred by proach is methodical and may serve him well as infighting, legal suits, poor performance and a delay to its initial share sale.

Australia's communications minister, Richard still an unknown in the wider investment com- would be "steady as she goes."

Mr. Switkowski possesses a studious, re-The soft-spoken Mr. Switkowski admits that served approach to management, far removed On Tuesday, the German-born nuclear sci-there is no direct demand for his science in his from that of his predecessor, Frank Blount, 60, entist capped his career change by agreeing to new role. He is, though, schooled in the world of an American who has made no secret of his become chief executive of Telstra Corp., Austechnology, which is potentially one of the distaste for negotiating with the politicians who control Telstra, which is two-thirds owned by the government.

But Mr. Switkowski will face a number of challenges in his new role at Telstra, including increased competition for market share. A vigorous antitrust commission is also trying to cut Telstra's dominance. And the company has been pushing the government to move forward on its privatization.

While he lacks flamboyance, Mr. idence he can convert his scientific prowess into Switkowski's former colleagues say his aphe confronts the myriad issues at the company with 55,000 staff and 17 billion dollars in "There is no lack of intellect there, but he's annual revenue. He said Telstra's strategy

Mitsubishi **Dismisses** 'Speculation'

TOKYO - Mitsubishi Motors Corp. denied Tuesday a newspaper report that it would allow a foreign partner to take a controlling stake in

the company.

The Financial Times of Britain reported Tuesday that the president of Mitsubishi Motors, Katsuhiko Kawasoe, had said he was seeking a foreign partner and would allow a foreign vehicle manufacturer to take a controlling stake.

"That was pure speculation by the reporter," a Mitsubishi spokes-

Mr. Kawasoe has repeatedly said that Mitsubishi was seeking links with non-Japanese companies. He said in January that he would be open to talks with Ford Motor Co. after the U.S. automaker announced an agreement to buy the passenger car business of Mitsubishi's European partner, Volvo AB of Sweden.

Mitsubishi also said Tuesday it had raised its stake in its Netherlands Car BV joint venture with Volvo AB, giving the Mitsubishi group a 50 percent stake in the company, known as NedCar

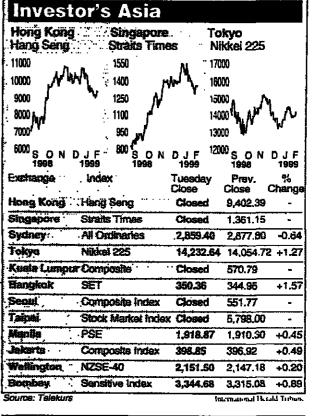
Mitsubishi Motors said it had purchased the stock on Monday for 110 million Dutch guilders (\$56.1 mil-

It said that Nedcar planned to increase production of Mitsubishi models to 130,000 in 1999 from 91,496 last year and to maintain production of Volvo models at about 150,000.

Mitsubishi said in November that it would report a group net loss of 9 billion yen (\$77.8 million) for the year ending March 31, its second consecutive annual loss. The sale of a stake would give it money to repay some of its 2 trillion yen of debt.

"Mitsubishi is looking like a vulnerable company," said Marnie Andrew, a researcher at the Economist Intelligence Unit in London.

Shares of Mitsubishi Motors fell 16 yen on Tuesday, to 351 yen.



Very briefly:

• Japanese exports to the United States of hot-rolled sheet steel plunged 99.3 percent in December from a year earlier, the Ministry of International Trade and Industry said.

• The Thai government plans to borrow \$5.31 billion, including \$1.20 billion from the World Bank and \$270 million from the Asian Development Bank, for the country's economic restructuring programs in the current fiscal year.

 Daiwa Securities Co., Japan's second-biggest brokerage. wants to sell as much as 50 billion yen (\$438.5 million) of shares it holds in other companies in the near future, said Akira Kiyota, Daiwa's deputy president. Daiwa wants to reduce its nearly 150 billion yen in strategic shareholdings.

• Bank Indonesia, the central bank, expects to close down as many as 40 banks by the end of this month, said Syahril Sabirin, the central bank governor.

• NSK Ltd., Japan's largest maker of ball bearings, is to cut about 9,300 workers, or 11 percent of its domestic work force. and close a factory after its first full-year net loss since 1949. NSK is to post a loss of 6.5 billion yen on a parent-company basis for the year ending March 31 amid falling domestic sales and shrinking overseas profits.

• Isetan Co., a Japanese department-store operator, is to shut its U.S. subsidiary Isetan of America and create two units to manage assets handed over from Barney's Inc. in a bank-(Reuters, Bloomberg, AFP) ruptcy settlement.

Profits Slump Japan Banks' Loan Goal: March 31 In Electronics Compiled by Our Stoff From Departers are struggling with as much as 100 Hanshin Bank announced the TOKYO — Major banks will fin- trillion yen in problem loans left merger plan last May to bail out the

oneer Electronic Corp. said Tuesday that a strong yen and sluggish demand for audio-visual products in emerging markets hun their earn-

ings for the latest quarter. Group net income at TDK fell 42 percent, to 10.7 billion yen (\$92.54 to help pay their debts. million) in the three months ended Dec. 31, from 18.476 billion yen in the same quarter last year. Sales fell 11.6 percent to 167.9 billion, from Japan's fiscal year ends March 31. 190.0 billion yen. For the full year ending March 31, TDK forecast its statement did not mean that new group net profit would fall 23 percent, to 45 billion yen, with revenue down 3 percent at 675 billion yen.

Pioneer Electronic said group net profit for the quarter ending Dec. 31 fell 16 percent, to 2.3 billion yen, because of sluggish sales in Asia losses on stockholdings. and Latin America and an increased

TOKYO — The Japanese electronics makers TDK Corp. and Piby the end of March, Japan's fi1980s. nancial reconstruction minister said

> The government gave prelimintrillion yen (\$65 billion) to 15 major ahead of a planned merger. Japanese banks in a massive effort

"Bad loans remaining from the bubble era will be written off by March," Hakuo Yanagisawa said.

Mr. Yanagisawa added that the problem loans would not arise, but he said the majority of problem loans would be removed.

public fund injections would give the banks enough capital to erase The cash infusion is a small frac-

Mr. Yanagisawa also said the

ish writing off their share of the bad over from the collapse of the spec- ailing Midori Bank, which was set debt hobbling the financial system ulative real-estate bubble of the up in 1995 with investments by oth-

Meanwhile, two regional banks said they would increase the amount take over the now-defunct Hyogo of public funds they were requesting Bank Ltd. in a government-proary approval Friday to funneling 7.5 to clean up their balance sheets

> Hanshin Bank Ltd. and Midori Bank Ltd., both based in Kobe, will jointly seek 1 trillion yen of public funds, bank officials said. Kyodo news agency said the fi-

two banks was 370 billion yen more than initially planned. jection, caused by the banks' un-derestimate of bad loans, reveals a "bridge banks" to assume healthy

that has yet to be dealt with by

nancial support requested by the

Tokyo. The two banks, which plan to (Reuters, AFP) ages and other financial companies Corp., the bank officials said.

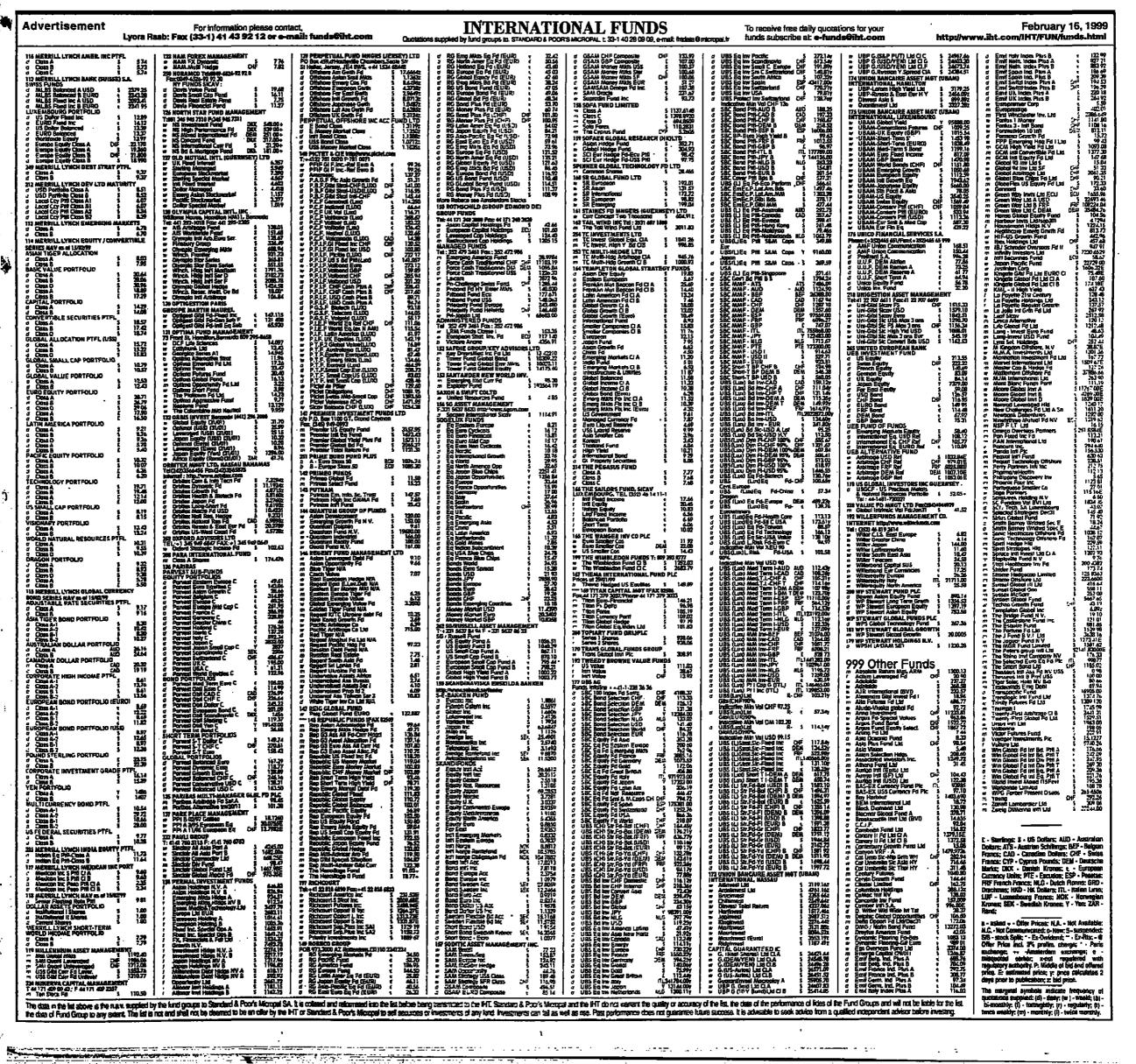
Midori Bank was established to

posed scheme to protect depositors lion). and corporate borrowers in Kobe. Analysts said financial authorities were not expected to bail out

regional banks by the same capitalinjection method being used for leading national banks. Yukiko Ohara, an analyst at Morgan Stanley Dean Witter, said it was

not possible to inject public money The plea for a huge rescue in- into the weak regional banks, but he morass of bad debt in regional banks loans from insolvent banks and sell the rest or into special public receivership.

Under Japan's banking legislamerge April 1, were to request the tion, the government can nationalize taxes burden. Consolidated sales tion of the debt facing the overall money Thursday from the govern- troubled banks or move their opedged down 1.2 percent to 147.4 financial system. Insurers, broker- ment-backed Deposit Insurance erations to a bridge bank until a merger partner is found. (AP. AFP)



povercome.

jams and

ber Dazzle

..... i W if....

. 14 chine

177177

naur e tB.26

. B 314 442-

THE STATE OF

andres (feet).

MOTHE VIEW CE

Carried Control

Www.ilst.com

And Transfer Films

N NOTE

HELTE

KI OND

are J**ing**,

to the Royself.

Players Win One

BASEBALL Derek Jeter became the first player this year to beat a club in salary arbitration when he was awarded \$5 million Tuesday. The arbitration panel rejected the

New York Yankees \$3.2 million offer to the All-Star shortstop. Jeter matched Ruben Sierra's 1992 salary with Texas as the

second-highest awarded in arbitration. The only higher award is the \$5.3 million pitcher that Jack Mc-Dowell got from the Chicago White Sox in 1994, even in losing his case. Jeter made \$750,000 last year. Ray Durham, a second baseman

who had been scheduled for a hearing. instead agreed to a \$20 million, four-year contract with the White Sox on Monday.

3 Horses Killed in Race

HORSE RACING Three horses were killed in a race at Sedgefield in northern England on Tuesday. Three horses fell at the first fence

of a novices' steeplechase. They got up without their riders, ran in the opposite direction and plowed into the rest of the field, bringing down six more horses.

"It all happened in a split second," said Lorcan Wyer, one of the jockeys. "I managed to avoid two loose horses but had no chance with the other one." (Reuters)

White Definitely Retires

FOOTBALL Reggie White, 37, the self-styled Minister of Defense, gave his retirement letter to Ron Wolf, the Green Bay Packers general manager, Monday. White said his only consideration was "what I think the Lord wants me to do."

White, the NFL's career sack leader, retired and unretired before last season.

Wolf said that the league has asked teams not to retire more player numbers, but he won't let No. 92, White's number, appear on a Green Bay uniform. Wolf said, "No one will wear that number as long as

A Modest Place in History

ICE HOCKEY Mush March, 90, who scored the first goals at Toronto's Maple Leaf Gardens, which staged its last NHL game Saturday, and at the old Chicago Stadium: "What the heck? It was just a game, and I was just a play-

Ferreira Knocks Out Seed

TENNIS Thomas Enqvist, the No. 7 seed, was eliminated from the indoor World Tennis Tournament in Rotterdam on Tuesday, 7-6 (9-7), 6-3, by Wayne Ferreira (AP)



Fabrice Santoro hitting a shot on his way to a two-set victory Tuesday over Jan Siemerink.

WORLD ROUNDUP Italian Sailor Rescues French Race Leader

Autissier Was Adrift in Isolated South Pacific

SANTIAGO — Isabelle Autissier, a French competitor in a solo round-the world race, was rescued unharmed Tuesday from her capsized boat in the South

The Chilean Navy said Autissier was rescued by a fellow competitor, Giovanni Soldini of Italy, 24 hours after sending a distress signal.

"I'm on an Italian tour now and not unhappy about it," Autissier, 42, said in viving. She's a fantastic person." a message telexed via satellite from Soldini's boat, Fila. Soldini said they would celebrate by

cooking pasta with parmesan cheese and washing it down with red wine. Autissier was the overall leader of the Around Alone race when her 60-foot (18.5-meter) yacht overturned on Mon-

Autissier said in her message that an error by the automatic pilot sent her yacht, PRB, upside down very quickly. "I just had time to close the door" to the

cabin, she said. Soldini said he had been lucky to spot

Autissier's yacht. He sailed close to PRB and threw a hammer at the hull to signal to Autissier that he was there. She came out and rowed to Fila in a life raft.

Autissier said she was capsized "by moderate winds of 20 knots," which her team members in Paris said were normal conditions for that area of the Southern Pacific near Antarctica.

With no known commercial or private shipping in the isolated ocean between New Zealand and Chile, organizers said the yachts participating in the race represented Autissier's best chance for sur-

Soldini was 200 miles (320 kilometers) and at least 10 hours away when he turned south into heavy seas to reach Autissier. Commander Nilton Duran of the Chilean Navy said that the weather had improved at the time of the rescue and that winds had slowed to about 30

"I am heading for PRB," Soldini told

IOC Extending Deadline for Cities to Reply

LAUSANNE, Switzerland — The International Olympic Committee exten-ponent.

ded the deadline on Tuesday for breaking behavior by IOC members.

that several cities had asked for — and received - more time to respond. In the wake of the scandal surround-

ing Salt Lake City's bid for the 2002 breached, and reacted liked robbed in-Winter Games, Juan Antonio Samaranch, the IOC president, asked last month for any concrete evidence of mis- business, they were naive to stand aside conduct by IOC members in other city under the presumption of fair play. Referee Peter Jones felt be had no

officials said they would tell the IOC that deemed Kanu guilty of unsporting benine committee members might have havior (FIFA disciplinary Rule 12) and

uez, the secretary of the Chilean Na-tional Olympic Committee, quit Mon-made a mistake, and Overmars kicked day after being implicated in the Salt the ball into the net without considering Lake City scandal. The Salt Lake City report into its own

bid revealed that Rodriguez acted as an intermediary to help President Sergio Santander, the head of the Chilean Olympic committee, obtain more than \$20,000 from the Utah city.

Mr. Santander is one of five IOC

members due to be expelled at a special

the Race Operations Center in Charleston, South Carolina, by radio before heading to Autissier. "I'm not letting up until I have found Isa."

Herald Eribune

The rescue came 2,070 miles west of Punta Arenas, Chile's southernmost city. "Everybody is in awe of Isabelle's knowledge and ability as a sailor," Peter Ratchman, the race director, said before the rescue. "If she's in a difficult situ-

Duran said Fila would stay in the race and was expected to reach Uruguay in seven to nine days. The 27,000-mile race, which features a dozen yachts, began in Charleston in August and is to

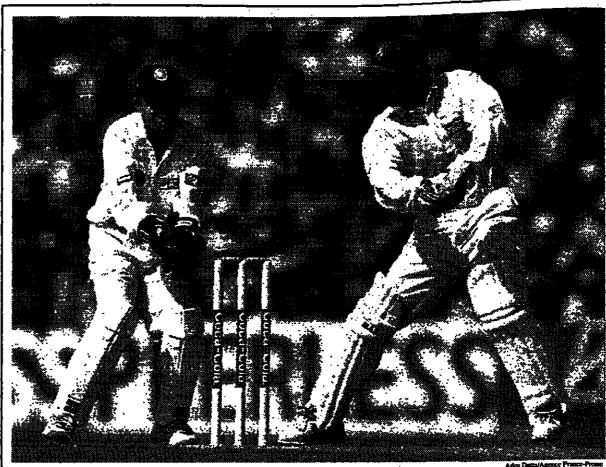
ation, she has the best chance of sur-

end there in the spring.

Autissier was in second place in the third leg before her vessel capsized on Monday. Earlier in the day, she had enthusiatically described freezing sailing conditions.
"A beautiful morning, with snowy

squalls alternating with sunshine, which melted the snow," Autissier said.

But later that day she used a hand-held satellite telephone to contact her race team in France. Her crackling message, lasting only seconds, said simply that (AP. Reuters) she had capsized.



HITTING BACK — Moin Khan, a Pakistan batsman, square driving Tuesday against India in Calcutta on the first day of the opening match in the three-nation Asian Test championship. Pakistan lost its first six wickets for 26 runs in the first hour, but recovered to reach 185 all out. Moin Khan was Pakistan's top scorer with a battling 70. At the close, India had reached 26 for one wicket in its first innings.

Fair Play Returns to Playing Fields of England

ONDON - A soccer match is annulled, and will be replayed was broken. How can that be right? There is good reason. It is called fair play or, from a half-forgotten era, the Cor-The English are Corinthians again, so

all's fair with the world I hear you sigh. However, though the setting was one of England's oldest playing fields, the principles were mostly from other coun-

Last Saturday's FA Cup match be-tween Arsenal and Sheffield United in London was locked at 1-1 when a Sheffield player went down injured in the Arsenal penalty box. He was obviously in distress, and a Sheffield colleague kicked the ball out of play to allow him medical attention.

When play resumed, Ray Parlour of Arsenal attempted to honor the convention that applies throughout the world by tossing the ball to the op-

Unfortunately, Nwankwo Kanu, a Ni-Olympic bid cities to tell it about rule- gerian making his Arsenal debut, intercepted it and i The IOC said that it had received Dutch teammate Marc Overmars who some replies by Monday's deadline, but scored with hardly a Sheffield man making the effort to prevent him.

Sheffield United stood like sightseers at a road crash while their goal was nocents. Maybe in the modern game, where sport caves in to winner-takes-all

Details of the replies so far were not disclosed by the IOC. Japanese Olympic arbiter did have a choice. He could have broken rules during Nagano's successful bid for the 1992 Winter Games.
In Santiago, Chile, Cristian Rodrigfully aware of what led to the throw-in, the justice of the moment.

Jones believed them. It was a high ressure, televised match, unlike a lower division English league game between Wrexham and Preston last month where another arbiter disallowed a goal in similar circumstances. On that occasion, the referee applied common sense; the high-er you climb in officialdom these days, International Olympic Committee ses-sion in March. He is in a clinic suffering from depression.

(AP, AFP)

the more this discretion — in effect to bend the rules — is exorcised rather than exercised.

World Soccer/Rob Hughes

The International Football Board, which ratifies the rules, meets in Britain this weekend but is unlikely to consider the simple option of enshrining in law the practice that FIFA has successfully urged on players to give the ball back after an opponent needs urgent treatment. There would, claims FIFA, be a book thicker than a London telephone directory if every possibility was written in the laws.

So the onus shifted from a referee who followed the thin rule book and felt powerless to intervene, to the team which gained an unsporting victory.
"We feel it is not right," said Arsene

Wenger, the Frenchman who coaches Arsenal. "We feel that we didn't win the game like we want to win our games. The best we can do now is to offer Sheffield United to replay the match."

FOREIGNER in England's national sport offering the English a reprise of the Corinthianism that shows the true spirit of the game, it is they invented along with the original sed the ball to his rules of the game?

his board and an FA official at the game, le beau geste. Moreover, from English soccer officialdom, renowned for movcame within the hour a heartfelt accentance.

Cynics rushed in This, they said, would be a deadly precedent, would encourage the cheats to push for any Arsenal, and the ultra-competitive, pragloophole and seek endless causes to have matic style with which it pursues their defeats overturned.

England's Football Association, cleverly offered the high ground to FIFA, the rulers of world soccer. "We are members of FIFA," said Davies, "and their slogan is Fair Play. We wanted to show everybody that fair play matters in this

Touché. The ball was in FIFA's court and sure enough Sepp Blatter, the president of FIFA, kept it in play by responding: "It was a wonderful gesture. Both Arsenal and the FA behaved in the best spirit of the game, and FIFA applauds this unique gesture."

So, a full-blooded replay at Arsenal's London stadium takes place Tuesday. The 38,000 fans will be admitted for half the normal price, and even the players accept that to labor twice for the same end is better than to have won or lost

'The decent thing has been done,' said Martin Keown who is the Arsenal spokesman for the players' union. "It without ulterior motive, and is an up-It appears Wenger had discussed with by players feigning fouls and attempting to fake penalties."

Keown, in fact, played no part in Saturday's encounter. He was, like ing with elephantine slowness, there many an Arsenal player over the last nine years, serving a suspension for foul play, though he is available for the re-It is one of those impies that cling to

trophies. The players' misdemeanors, Doubtless some will try. But David both before Arsene Wenger's arrival and Davies, the acting chief executive of since, and their challenges to authority

on the field are legion. Monsieur Wenger has been an apologist for that sorry disciplinary record but now, with one bound, he is the high priest of fair

Yet being churlish must not be allowed to offend the spirit of the gesture-he made. Between Saturday night and Sunday afternoon, I journeyed from London to Barcelona where, to a man, the players, coaches, directors and journalists at Barcelona versus Real Madrid, embraced the new spirit of the "English" Fair Play. Naturally, I played my small, ennobled part in the afterglow because, in a sea of sport contaminated from the Olympics to the World Cup, the odd ripple of sportsmanship really does

Rob Hughes is chief sports writer of The Times of London.

■ FA Targets Keegan for England Geoff Thompson, acting chairman of the FA, said that he would be prepared to appoint Kevin Keegan as England manager even if Keegan only did the job part-time until the end of the season,

euters reported from London. Keegan is chief operations officer at Fulham, an English second division team. He had talks with Thompson on Monday and again Tuesday.

The FA said there would be more meetings Wednesday with Keegan's desire to complete the remaining 18 months of his contract at Fulham the apparent sticking point.

Keegan is a former England striker and team captain. In his previous coaching job, he led Newcastle United from the bottom of the second division tosecond place in the Premier League.

One of Baseball's Greats: Marvin Miller

TEW YORK — One day in the late 1970s, Bowie Kuhn, then the commissioner of baseball, invited Marvin Miller, then the executive director of the Major League Players Association, to lunch for the first and only time. At one point Kuhn said to Miller, his adversary of more than 10 years: "Look, Marvin, you've beaten the owners at every turn. And now the owners need a victory.

Miller, as he recently recalled, couldn't believe his ears.

"Bowie," asked Miller, "are you nggesting I throw the game?"
Miller did not, and the owners continued their losing streak. The owners lost at every turn, as Kuhn said, because one man had on his side the insight, the foresight, the experience, the courage and the style - unruffled, unflappable undeterred - as well as the U.S. Constitution and labor law. Miller led the players, often at dramatic junctures, out of virtual subservience and into the democratic system of America.

A man of medium height, with a mus-tache and a quiet, patient demeanor, Miller took over in 1966 as executive director of a loosely organized group of ballplayers, with assets of a file cabinet and about \$5,400. He shaped them into what many believe is the most successful union not just in sports, but in the history of American labor. Not only did he work to raise the level

of earnings — the average salary of a major-leaguer when he began was \$19,000 a year, it is now \$1.4 million but he helped improve playing condi-tions, from padded outfield walls and better-defined warning tracks to safer locker rooms. He even helped improve play, according to Henry Aaron, allowing players more financial freedom to remain in better shape during the off season instead of having to work at jobs like insurance salesman (Aaron) or sporting goods salesman (Andy Pafko).

He was also instrumental in improv-

Vantage Point/IRA BERKOW

allowing the visiting team to get away earlier. And he gave players the freedom that other American workers had — his cataclysmic battle for free agency ended the reserve clause, which had prevented players from bargaining for their services on the open market.

As a result, a greater number of teams won pennants than ever before, attendance figures broke records season after season, and the value of teams increased (the Yankees were purchased for \$10

Miller is as important to the history of baseball as Jackie Robinson.'

million in 1973 and today are worth \$600 million or more). Along the way, he also took one of the poorest benefit plans and built it into one of the best.

Jim Bunning, now a U.S. senator and a Baseball Hall of Famer who, along with Robin Roberts and Harvey Knenn, led a players' committee to hire someone to lead their meager union, once said, "The two proudest things I take out of baseball were the perfect game I pitched and being part of the selection group that chose Marvin Miller as executive director." Aaron, the home-run champion and

now senior vice president of the Atlanta Braves, once said, "Marvin Miller is as important to the history of baseball as Jackie Robinson. And Roberts, the Hall of Fame pitcher,

said: "I don't know of anyone who changed the game more than Marvin Miller. His legacy is that, through his work, ballplayers for the first time attained dignity from owners. He changed a monopoly into a more realistic setup. He deserves to be in the Hall of Fame.

Two weeks from Monday, on March 2, the Veterans Committee of the Base-

chusion of new members in their shrine. One of the leading candidates is Orlando Cepeda, the fine first baseman whose best slugging years were with the Giants and the Cardinals. His recently published autobiography, "Baby Bull," written with Herb Fagen, ably presents the case for Cepeda, who was once imprisoned for 10 months in Puerto Rico for possession of marijuana. Cepeda's baseball accomplishments should merit him selection to the Hall of Farne, just as Miller's do.

But in his way, Miller, who was born in the Bronx in 1917 and who retired in 1985, and lives in Manhattan, is as controversial a choice as Cepeda. Miller is still resented by owners, but shouldn't be. Owners, who feared a thinning of

their substantial pocketbooks, had presented him as an ogre from the moment he took his position. He was painted by them as one among "union goons" for his work as chief economist and negotiator for the United Steelwork-Kuhn declared on the witness stand in

a courtroom that free agency would "niin" baseball. When Miller once went to a spring-

training camp to talk with players in an outfield meeting — they had been refused use of the locker room - Leo Durocher, the Astros' manager, fungoed baseballs in an attempt to hit Miller. But virtually by himself, one decent

man, with knowledge and the mission to do the best job possible, beat the owners with their teams of lawyers and press agents, time after time after time. Despite the overwhelming resistance, he helped improve both the game and the lives of players - and, as it turned out, the lives of the owners, as well. And not

team sports in this country. The Veterans Committee would dising scheduling, such as doing away with night games on the last day of a series — York, will gather and vote on the in
York, will gather and vote on the in
Miller into the Baseball Hall of Fame. tinguish itself and do what is right and unequivocally just by voting Marvin

just in baseball, but, eventually, in all

CROSSWORD ACROSS 24 Popeye's Olive 52 Agony 53 End of the 28 Schlemiel 27 Bad reviews 1 Mayberry tope 26 Walrus hunde 28 Yankee legend

59 Language of 380

60 Sports figure

around

preparation

67 Not just a trio

84 Clears

66 Quits

Rizzuto 31 Pub. workers 14 Job for a book 32 Collar stain 33 Butts of jokes 15 Beghdad native 36 Middle of the 16 "Takin' — the Streets" (Doobie Brothers hit) 17 Newswo Klensch

18 Kind of calendar

19 Enthusiasm

29 Beginning of a

22 Author Bennet

--- Hono 43 Sch. for 46 Fateful day 47 Davis of 48 Hunger (for)

Solution to Puzzle of Feb. 16

1 Words of praise 2 Fib a Mouthing of 4 Night haht 5 Totally uncool 8 Bell or whistle 7 Pool

demarcation Marine shade ■ O followers? 16 Thingamailio 11 Loose 12 Slew a vemoire. 12 Reft steerers 21 Part of an E-mail

22 1990's sitcom

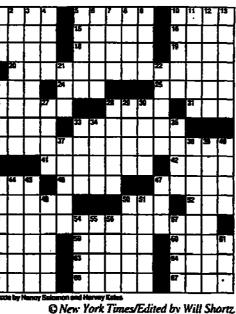
26 Ship refueling places 29 Water (down)

33 Scumed 34 Prefix with photo 35 Eye sçre 37 Knicks cente who was the 1986 Rookie of the Year

36 Deep trouble 39 Mechanize 40 it has a bark but no bite 43 S. #. % OT & 44 Pooh's grumpy 45 Maniacs 47 Clear tables

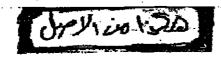
49 Martian explore e.g. 50 Come out in the long run **51 Actor Claude** 54 *What's ----?" \$5 Citie

sa Dope 57 Am't correct? 64 Condescending



INFORMATION Read THE MONEY REPORT every Saturday in the IHT.

FOR INVESTMENT



JAN100 130

SPORTS

wedgett eine mit. Jazz Overcome Williams and Webber Dazzle To Beat Kings

The Associated Press The original Stockton-Malone combination is still better than the upstart

impersonators from Sacramento. John Stockton and Karl Malone held off a spirited charge from Jason Wil-jiams and Chris Webber as the Utah Jazz eat the Kings 120-112 in overtime Aonday night.

Sacramento appeared ready to upset the Jazz, thanks primarily to standout

NBA ROUNDUP

efforts from the rookie point guard Williams and the newly acquired Webber that sparked memories of Stockton and Malone in their early days.

In just his fifth professional game, Williams had 19 points and seven assists, while Webber had 26 points and 11 rebounds before fouling out early in

Malone hit five free throws in the final minute of regular time to force overtime, and the Jazz made a 9-2 run to start the extra period and run their record to a franchise-best 6-0.

Stockton scored eight of his 10 points detring Therefore against Indiam of the fourth quarter and had 15 assists. on Test chastipionship. Pakistanleship. h till all out. Main Khan was Pakistan. Malone, despite shooting just 8-for-20 from the field, led the Jazz with 26 points and nine rebounds. Bryon Russell had 25 points — seven in overtime and nine rebounds.

at be feit eine wiebel in in freifen

ls of England

uts: Marvin Ville

All the moral victories, however, belonged to the Kings (2-3 with just one home game so far), who appear trans-formed from the moribund franchise that midcourt whenever they could and held made the playoffs just once in the past 12 the Pistons to 36 percent shooting. years. With Williams and Webber, they may have a young go-to combination similar to the one that has served the Jazz so well for so long.

Knicks held the rest of Detroit's players paced the Nets with 19 points.



Knicks' Patrick Ewing, right, muscling Pistons' Bison Dele for a rebound.

in check. Allan Houston scored 19 points, Patrick Ewing had 14, Larry Johnson 12 and Charlie Ward 10 for the Knicks, who double-teamed Hill near

Miami 95, New Jersey 72 In Miami, Alonzo Mourning had 34 points, 17 re-bounds and 7 blocks as the Heat handed New Jersey its third straight loss. P.J. Knicks 78, Pistons 69 In New York, Brown chipped in 12 points and nine Grant Hill scored 31 points, but the rebounds for Miami. Keith Van Horn

Suns 115, Nuggets 106 Jason Kidd had 28 points, 13 assists and 11 rebounds and George McCloud added 24 points as winning streak since they won a league-Phoenix won in Denver. Trail Blazers 99, Mayericks 84 In Port-

land, Arvydas Sabonis had 16 points, 10 rebounds and 9 assists for the Trail

ie Antawn Jamison scored 21 points, including the game-winning tip-in with four seconds left, as Golden State won at home against Minnesota.

Rams Scramble for Quarterback

Compiled by Our Staff From Disputches

The St. Louis Rams continued their

burst of activity when they lured Trent Green, a 29-year-old free-agent quarterback, from the Washington Redskins may not keep him. with a \$16.5 million, four-year contract.

The Redskins then traded three draft

picks to Minnesota for Brad Johnson, who began last season as the Vikings' starter but then suffered a broken leg, returned and broke a thumb.

The Rams, who promised to be active in the free agency period that began Friday, signed Green on Monday, a day after they had signed Adam Timmer- ject to Johnson's passing a physical. man, an offensive guard who played for Green Bay last season, to a five-year, \$18.7 million contract

Green began the 1998 season as thirdstringer for Washington, but he started 14 games, completing 278 of 509 passes for 3,441 yards and 23 touchdowns.

offer to Tony Banks, last year's starting quarterback, on Monday, but even if they sign the restricted free agent, they offer to Tony Banks, last year's starting for Jeff George, whose two-season stay in Oakland was largely a disappointment.

"I believe Tony Banks will be a starting quarterback and a very successful including Steve Young, Troy Aikman and playoff quarterback," said Dick Vermeil, the Rams' coach. "It just doesn't quarterbacks was not surprising."

look like it'll end up being here."

Rich Gannon, a career backup quar-terback, was also handed a starting job Monday when he signed with the Oakland Raiders.

the NFL as a backup and spot starter for away, and in some cases, they don't Minnesota, Washington and Kansas recover from it."

(AP, WP)

The Rams also made a qualifying City. He reportedly received a four-year,

Leigh Steinberg, the California lawyer who represents a stable of quarterbacks

"It's about the incredible need for The Redskins gave the Vikings the 11th overall selection and a third-round pick in this year's draft, and a second-round pick in 2000. The trade was subyoung quarterbacks not living up to their potential. The salary cap is part of that. Instead of having two or three years of tutelage and study while a more ex-perienced guy plays, the salary cap Gannon, 33, has spent his 12 years in forces teams to play these guys right

Penguins Remain Hottest Team on Ice

Pittsburgh Penguins won their 10th tawa against Chicago. Shawn McEachstraight game.

each scored twice on Monday as the goals in their previous six games. Penguins beat the visiting Washington Capitals, 7-3, to extend the second-

NHL ROUNDUP

longest winning streak in team history. Jagr, the National Hockey League's leading scorer with 85 points, now has 25 points during the Penguins' longest

scored twice in the first 2:37 as Stars improved to a league-best 33-10-9.

Sabres 3, Hurricanes 2 Michael Peca broke a tie in the third period and Dominik Hasek made 36 saves as Buffalo beat visiting Carolina.

The Associated Press • Senators 6, Blackhawks 2 Alexei since Feb. 4, but still finished with his Jaromir Jagr, the league's leading scorer, had a goal and three assists as the Wade Redden added two goals for Ot-Mighty Ducks 3, Kings 1 Tomas Sand-German Titov and Alexei Morozov the Senators, who managed only nine

> New Jersey defenseman Lyle Odelein fourth straight road victory. tipped a shot past Martin Brodeur, giving Toronto a tie in New Jersey.

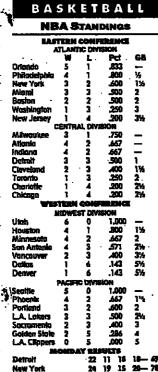
Whitney scored two goals, including one with 6:17 to play, as the Panthers and San Jose skated to a tie. Whitney blasted stars 4, Oilers 1 Dallas proved just how tough it can be defensively as it held Edmonton to just 13 shots. Brett Hull scored twice in the first 2:27 in 20. 10:50 of the third period.

Rangers 7, Predators 4 Wayne Gret-Nashville. Gretzky has not scored a goal throat by a shot.

strom tied the score on a power play in the ern and Vaclav Prospal also scored for second period and got the go-ahead goal on a penalty shot with 13:20 remaining as Anaheim won in Los Angeles. Paul Kariya scored his 24th into an empty net Devils 3, Maple Leafs 3 Garry Valk got a gift goal late in the second period when with 51 seconds left to secure the Ducks'

Lightning 3, Islanders 3 Vincent Lecavalier assisted on one goal and then Sharks 2, Panthers 2 Florida's Ray scored with 9:31 left in regulation as visiting Tampa Bay won. Lecavalier had a wide-open shot from the left crease after a cross-ice pass from Pavel Kubina a slap shot past Steve Shields from just for his ninth goal. The tie ended an eightgame losing streak for Tampa Bay. The Blues 8. Canucks 1 Pierre Turgeon had

gave the visiting Sharks a 2-1 lead at a goal and two assists and Pavol Demitra had three assists as St. Louis snapped its five-game home losing streak. The zky had five assists and Adam Graves Blues' goalie, Jamie McLennan, made scored twice as New York snapped a 10 saves in the first two periods before three-game losing streak by winning at being taken out after getting hit in the



New Jersey 24 17 14 17—72 Milami 16 21 22 26—95 N.J. Van Harn 7-16 44 19, Williams S-9 0 0 1g. M: Mourning 12-18 10-18-34, Broven 5-10 2-5 12, Rabeunds—N.J. 49 (Self, Williams S), M.—64 (Mourning 17), Assists—N.J. 10 (Kittes, Gill, Boykins, Burrell 2), M.—14 (Hordowoy, Mojeris, Porter 3), Visitable Visita 1% U: Moonte 8-20 10-10 26, Russell 8-11 7-8
25, Rebounds — Socramento 41 (Webber 11),
Utah 56 (Russell, Molone 9), Assists — Socramento 24 (Wilkiams 7), Utah 34 (Stockton 15).
Pheentx 19 39 21 26—115
Desiter 13 31 7 22 31—164
P: Kidd 9-17 10-13 28, McCloud 9-13 1-2 24;
D; Sith 4-11 9-9 23, Van Exel 7-17 5-7 21.

U.S. COLLEGE SCORES

LEADING COLLEGES Wis.-Green Boy 74, Ill.-Chicogo 40 WOMEN

19P 25 No. 25 Alabama (16-8) del. Florida 75-73. THE AP MEN'S TOP 25 Top 25 teams in AP's men's college

Top 25 to baskethell poll, with parentheses, records through Feb. points based and previous ranking:
Record Pts Pvs
**Duke (64) 25-1 1,744 1
**Inst (6) 22-1 1,677 7
**24-1 1,605
**1,540

ICE HOCKEY NHL STANDINGS

St. Loris 5.2 1—9
First Period: S.L.-Mayers 2 (Rheaume, Eastwood) 2. S.L.-Pelletin 13 (Densitra. Turgeon) 3. S.L.-Young 13 (Conroy, Cornobell) 4. S.L.-Maclanis 16 (Turgeon, Densitro) 5. S.L.-Turgeon 19 (Macchanis, Densitro) 7. S.L.-Riscourne 7 (Eastwood, Heimer) 8. St. Lovis, Yake 7 (Twist, Finley) 7 Taird Period: S.L.-Persson 1 (Handrus, Yake) Shots on good. V. 4.7-10—21, S.L.-13-8-6—27. Goolies: V-Snow, Hirsch S.L.-MacLennon, Johnson.
Carrelina 1 1 0—2
Buffulo 1 1 1—3
First Period: B-Saison 24 (Peca, Zhithillà) 2.

In-10-3-1, July 10-3-3-3-2, Games 1Joseph, N.J.-Brodeur.

Washington

1 1 1-3
Pritsburgh

3 2 2-7
First Period: W-Juneau 12 (Octes,
Bondra) 2, P-Siegr 2 (Jagr, Miller) 3, PMorazov 6 (Kess, Thov) 4, P-Miller 13
(Sfraka, Jagr) (pp). Second Period: P-Thov 9,
(sh). 6, P., Tihov 10 (Barnes, Jagr) 7, WBondra 27, Third Period: W-Ortes 9
(Sve)Rovsky) 9, P-Morazov 7 (Tibox, Kesd) 10,
P-Jogr 27 (Kovatev, Straka) (pp). Shoft on
goat: W-7-12-13-32, P-11-6-4-27. Geaffes:
W-Kolzis, Tehoracci, P-Skudra.
San Jose
First Period: S.J.-Friesen 17 (Strm.
Nolan) Second Period: F-Whitney 15
(Kvasha, Lous) Third Period: S.J.-Norton 3
(Friesen, Ricci) 4, F-Whitney 17, Overtime:
None, Shofts on goal: S.J. 6-10-10-1-27. FNone, Shofts on goal: S.J. 6-10-10-1-27. F-

CALVIN AND HOBBES

Edimenton 1 0 0-1
Dellas 2 2 0-4
First Period: D-Huil 22 (Modano,
Horcher). 2, D-Huil 23 (Lehtinen, Modano)
(pp). 3, E-Weight 3 (Murray, Guerin) Secand
Period: D-Manshall 10 (Zubov, Nieuwendyk)
(pp). 5, D-Nieuwendyk 12 (Langenbrunner,
Sydor) Third Period: None. Saots on geat: E4-3-6-13, D- 13-10-4-27. Goalles: EEssensa. D-Belfour.

CRICKET

INDIA VS. PAKISTAN TUESDAY IN CALCUTTA

3. Lee Westwood, England, 3,282,00
4. Miguel Angel Jimenez, Spain, 2,780,00
5. Sven Struver, Germany, 2,640,00
6. David Howeit, England, 2,162,00
7. Jamo Sandelin, Sweden, 2,090,00
8. Andrew Collart, Scatland, 2,063,00
9. Robert Karlsson, Sweden, 2,005,00
11. Paul McGinley, Ineland, 1,602,00
12. Patrik, Sjoland, Sweden, 1,590,00
13. Pleane Fulke, Sweden, 1,590,00

TRANSITIONS

BACKETBALL NATIONAL FOOTBALL LEAG

Washington for 1999 1st- and 3d-round draft sicks and 2000 2d-mund pick.

year contract. Re-signed QB Wade Signed WR Chris T. Jones.

NATIONAL HOCKEY LEAGUE

5T. LOUIS—Acquired D Jeff Finley and D
SEOTI Smith from N.Y. Rangers for future
onsiderations. Recalled G Breat Jahnson

DENNIS THE MENACE



YOU DON'T HAVE TO BE AFRAID OF MR. WILSON,

LEERD VOCENX HUBELS



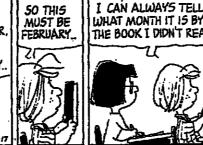
PEANUTS

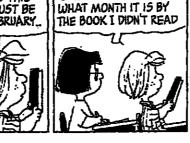


GARFIELD

BEETLE BAILEY

read in december, AND THIS IS THE ONE I DIDN'T READ IN JANUARY

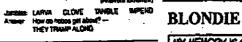




















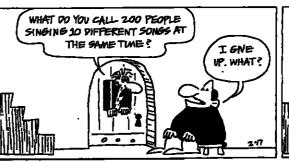














NON SEQUITUR



Commence of the property of the commence of the property of the commence of th





POSTCARD

The Scots Fight Back

By Warren Hoge Non York Times Service

OCHINVER, Scotland --→ "Haste ye back," the road signs say as you pass by these years ago bought itself from stony coastal villages, where the grass is bent sideways by man, and set up its own cothe ceaseless wind. But the operative self-government, It hearty Scots summons has rung hollow for many people Trust, named after the loch from here for centuries.

where hundreds of thousands kilometer) estate and the hardof settlers were driven off scrabble farmers who have their properties to make way become at once individual for sheep farming by rapacious landlords in the infamous Highland "clearances."

They were burned out of private hands belongs to just their thatched cottages and off 350 people, and just 1,500 their fields and packed onto private estates cover 80 perships bound for the colonies cent of Scotland. Among the or forced into servitude under lairds are aristocrats, reclus-Scotland's feudal land-own-ing system on small patches stars, offshore companies and of land called crofts along the wealthy people from Lon-

infertile rocky seaside. on this unforgiving land they hunting and fishing retreats. are as fresh as yesterday.

'Ave, it's a deeply ingrained feeling here, you For generations, residents must never lose sight of have had their land sold out that." said Allan MacRae, 59, from under them with no whose great-grandfather was knowledge of the transaction among those evicted. "There or the new laird to whom they is a deeply rooted resent- owe their "feus," or land fees. ment. But the feudal landowning system is more than a memory. It still exists.

"It was set up in the 12th century to impose some order Dewar, local communities on, you know, the mad Scots, would gain the right to buy and it has not changed since," said Daniel Morgan, a doc- able to tap National Lottery toral student of the subject at money to help raise the pur-

posed. Scotland gets a new ample, or consistently disreg-Parliament in May, and Don- arded the interests of the local ald Dewar, Britain's secretary for Scotland, has announced that its first order of business munity compulsory.

would be reforming the an-

cient landholding structure. On his mind as he spoke was a community of 13 hamlets next to Lochinver that six its owner, a Swedish businessis called the Assynt Crofters' that runs along one side of the This wilderness area was 178-square-mile (460-square-

tenants and collective share-

holding landlords, or lairds,

Half of Scottish land in don's financial sector who Although these convulsive live far from Scotland and events happened in the early treat their properties as compart of the 19th century, for modities to be traded on forthe descendants who still live eign markets or use them as

For generations, residents Some cottage dwellers recog-nize their absentee owner only by his bank account number.

Under the plans laid out by estates at market value and be Edinburgh University.

Now, almost 900 years lairds tried to sell land secretly, through share dealing, for expeople, the government could make the purchase by the com-

An Outsider Takes On Covent Garden's 'Mess'

By Alan Riding New York Times Service

ONDON - The Royal Opera House in Covent Garden is still a huge construc-tion site, but completion of its \$360 million redevelopment is now in view. Inside its horseshoe auditorium, while seats and carpets have yet to be installed, a large medallion of Queen Victoria's profile, placed above the proscenium 140 years ago, has been regilded in anticipation of the house's reopening on Dec. 1.

Yet if London's arts lovers have barely noticed this pricey metamorphosis, it is because a far more exciting political, financial and psychological drama has been tearing apart the Royal Opera House. Until recently the issue has not been how the new Covent Garden will look but whether the Royal Opera and Royal Ballet will ever perform there.

For the last three years the Royal Opera House has been a soap opera. Under three board chairmen and three directors it saw its deficit mount, its mismanagement exposed and its public image muddied. Its plans for performances in other theaters during Covert Michael Kaiser, executive director of the Royal Opera House. ent Garden's current 30-month closing was so badly prepared that the board canceled most of the 1999-2000 season.

Two departing directors exchanged barbs with the board. The artistic director for opera, Nicholas Payne, left to run the English National Opera. The music director, Bernard Haitink, resigned in frustration in October. In November, artists and staff members pick- meals and free lunchtime chamber music eted 10 Downing Street, while members of concerts in a new 420-seat Studio Theatre. the Royal Ballet contemplated resigning en masse and forming a new ballet company. Who could stop the rot?

An American in the form of Michael Kais-

er, the former executive director of the American Ballet Theatre, arrived here in mid-November to sort out the warring British. That was not quite the wording of his mandate as the opera house's new executive director, but that in essence was his task. Remarkably, 10 weeks later there are signs that peace is breaking out at Covent Garden. In December, the Arts Council of England, which provides about one-third of Covent Garden's budget, raised its annual grant by \$3 million, to \$32 million for 1999, and by a further \$6.4 million for 2000 and 2001 each. At the same time Haitink withdrew his

resignation and agreements were signed with

the opera house unions. The turmoil inside

the Royal Ballet also was settled.

On Jan. 28 Kaiser unveiled his strategic does not even consider Covent Garden's plan for Covent Garden, which, along with crisis to be that special. details of the opera and ballet programs through May 2000, included two innovations carefully designed to improve the house's public image: Ticket prices will be reduced, and the building will be open all day for tours,

Of course not all this was Kaiser's doing. Negotiations with the Arts Council already were under way, and it was well known that one condition for larger grants was a re-duction in ticket prices. Yet with his reputation of having helped restore financial health to the Alvin Alley American Dance Theatre and the American Ballet Theatre, again. He likes to remind them that he first Kaiser has been welcomed here like-a doctor

arriving at the scene of a crash. "It does help to come from the outside," Kaiser said in his office, "because my experience of troubled organizations is that when you are in the midst of all the problems, everyone is focused on the past. Who caused the problem? How did we get into this mess? They point fingers at each other, the staff blames the board, the board blames the staff, and no one is saying. Where do we go from

Perhaps to the dismay of some here, he

There was a lot of hurt here, and that's another thing in common with troubled or-ganizations," he explained. "People were feeling unloved; that they were not being treated properly, because when an organization is in trouble, typically the leadership begins cutting back on marketing and the creating of arts. The public and donors lose interest. You get less revenue, and you cut more marketing and arts, and you end up in deep trouble."

Part of Kaiser's first aid program has involved making the artists - the orchestra, the chorus and the dancers - feel wanted studied to be an opera singer, that his grand-father played in the New York Philharmonic and that he spent much of the 1990s with baller companies. He is intent on attending as

many of their performances as possible. I want them to understand that I am in this field because I love the arts and I love artists,

and I am there to support them." he said. His only disappointment so far is that the American director Francesca Zambello turned down an invitation to become the artistic director of the Royal Opera.

PEOPLE

Last year after Kaiser's own appointment,

Sarah Billinghurst, head of artistic planning at the Metropolitan Opera in New York, also refused the job, reportedly because she was rebuffed in lier request to be named head of all Covent Garden. Now the search for a new

artistic director for opera has resumed. Work continues on Covent Garden's expansion, which includes enlarging the backstage, raising the fly tower and adding two large annexes comprising offices, rehearsal rooms and the Studio Theatre, as well as a

reception area in the so-called Floral Hall. But the Royal Opera House has not yet covered the project's \$360 million final cost.

It has received a \$125 million grant from National Lottery profits, it has borrowed some \$70 million against future rentals of street-level shop space in its new annexes, and it has raised \$130 million in private donations. But it needs a further \$32 million. The house's anticipated deficit in March 2000 is another \$32 million.

But Kaiser likes fund raising, which "is unusual for an arts executive in Britain," he said. He seems quite unfazed by the warnings that prosperous Britons have no tradition of donating money to the arts and the tax system does not encourage contributions. "There is money out there and people are willing to give it," he said. "You just have to have an exciting project to attract."

Fund-raising experience certainly helps.

For example, each of the 16,000 Friends of

Covent Garden pay just \$70 a year for the privilege of attending lectures and some rehearsals. Kaiser said he planned to introduce "a ladder of giving." common in the United States, to squeeze more money out of the

With private or corporate donors, he said, there is usually a need that can be satisfied. "Some want corporate entertaining opporminities," he said. "They may want a product or service to be associated with something of high quality. They may want

marketing visibility.'

Kaiser is planning a full 2001-02 season. but until then, instead of working from September through July, the Royal Opera House will suspend its productions at the end of May and rent the theater to touring compa-nies (like the Kirov Opera and Ballet in the

summer of 2000). Certainly the challenge is there, spelled out in a newspaper headline on his first day at work, "Chaos Reigns as Kaiser Enters Op-

era House. "That was my welcome," he said.



THE actors Paul Newman and L Joanne Woodward made a rare stage appearance to benefit a land trust that is trying to save 668 acres (135 hectares) of forest from development. The two, who have been married more than 40 years, performed in A.R. Gurney's "Love Letters." at the Westport Country Playhouse in Connecticut.
The performance raised \$175,000 for the Aspetuck Land Trust, which must raise \$12 million by September to purchase the land from a water company. Newman and Woodward live near the property, and Woodward said their children used to fish in the nearby reservoir.

from the perils of wealth, the Duke and Duchess of Northumberland have won approval from the High Court in London to defer the boy's huge inheritance until he is old enough to cope with it. Earl Percy, a 14-year-old at Eton who is in line to become the 13th Duke of Northumberland, would receive £1.6

year from a trust fund, when he turns 18 under a family will. With court approval, the boy won't receive the money until he is 25 — or earlier in smaller amounts as the trustees deem fit.

The Spanish director Fernando Trueba, whose latest film is a comedy set in Nazi-era Germany, said Monday that enough time had passed for artists to confront fascism with humor. "I think we can talk about these things now with some calmness. There is no ideological, no moral risk involved," he said after the presentation of "La Nina de Tus Ojos'' ("The Girl of Your Dreams") at the Berlin Film Festival. The film tells

musical under the Third Reich.

Guitars, manuscripts and drawings will fill a proposed museum in suburban Tokyo dedicated to preserving the memory of John Lennon. The Japanese construction company Taisei Corp. said million (\$2.55 million), plus £410,000 a it would build the museum to ensure that

the musician's artistic accomplishments live into the next century, the Kyodo news agency reported. The report said Taisei had signed an agreement with Lennon's widow, Yoko Ono.

The singer Paul McCartney has

ified ingredients from his late wife Linda's range of vegetarian foods. His statement came after a British television program found that Linda McCarmey's vegetarian sausages and mince contained genetically modified soya despite assurances from the company that they did not. She died of cancer last vowed to eliminate genetically mod- April at the age of 56.

A Stones Reunion in Minnesota

The Associated Press

T. PAUL, Minnesota — The Rolling Stones got a grand welcome from their of former bodyguard, who happens to be the new governor of Minnesota.

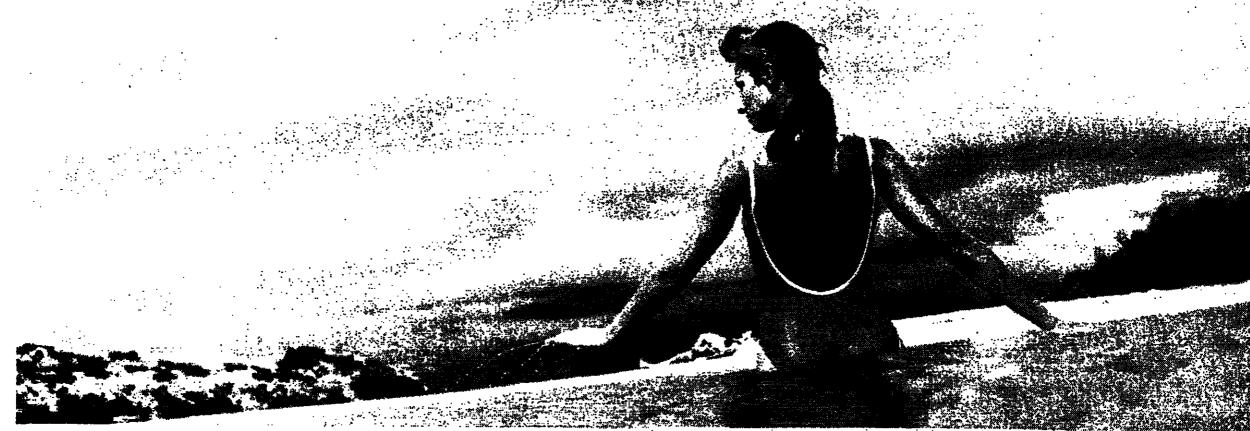
"He's done us proud, hasn't he?" a chuckling Mick Jagger said during a meeting with Governor Jesse Ventura. "He's been fantastic.

lagger also liked a Ventura proclamation declaring Monday Stones Day" in Minnesota — and Ventura's congratulations to the 55-year-old Keith Richards for being "still alive."

"He's done it very funny and been very lighthearted about the whole thing. But it's obviously very nice for us," Jagger said. Asked whether the governor might be invited to sing, Jagger laughed and said: "I hope he doesn't want to wrestle, that's all.'

Ventura, a former professional wrestler who went by the name "The Body," was a bodyguard for the Rolling Stones in the late 1970s and early 1980s.





out of the blue

You never know where your next obsiness, cea will come from So use AT&T Direct Service. With the world's most powerful network, you get fast clear reliable connections from anywhere. Plus you'll always have the cotion of an operator who speaks your language Affet takes is your AT&T Calling Card or credit card, and you're well on your way. And now, back to your vacation

Steps to follow for easy calling worldwide:

- I. Just dial the AT&T Access Number for the country you are calling from.
- 2. Dial the phone number you're calling 3. Dial your card number.
- AT&T Access Numbers For access numbers not listed above, ask any operator for AT&T Direct Service, or visit our Web site at:



lt's all within your reach.

